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LEGISLATIVE HISTORY

Public Law 634--77th Congress

Chapter 454--2d Session

H. J. Res. 311

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CONTINUATION OF FEDERAL SURPLUS COMMODITIES CORPORATION.

Continues until June 30, 1945, the Federal Surplus Commodities Corporation as an agency of the U. S.

INDEX AND SUMMARY OF HISTORY ON H. J. RES. 311

May 5, 1942	H. J. Res. 311 was introduced by Rep. Fulmer and was referred to the House Committee on Agriculture. Print of the Resolution as introduced.
May 11, 1942	House Committee reported H. J. Res. 311 with amendments. House Report 2118. Print of the Resolution as reported.
June 1, 1942	Discussed in the House and passed over.
June 8, 1942	H. J. Res. 311 was discussed in the House and passed without amendment. Print of the Resolution as passed the House.
June 11, 1942	H. J. Res. 311 was referred to the Senate Committee on Agriculture and Forestry. Print of the Resolution as referred.
June 18, 1942	Senate Committee reported H. J. Res. 311 with amendments. Senate Report 1498. H. J. Res. 311 was discussed in the Senate and passed as reported.
June 22, 1942	House agreed to the Senate amendments.
June 27, 1942	Approved. Public Law 634.

At least, those in charge ought to be intelligent enough to get some information on what the materials will cost before awarding contracts that yield such fabulous profits that the manufacturers now want to turn back millions and millions of dollars because they are afraid of what will happen.

Not only have we awarded the contracts to which I have referred, but we do not know how many similar contracts are outstanding. The Chief Executive has dwelt on the fact that we are spending and spending and spending this tremendous sum of money. In my business I have always figured that it is not how much we spend but what results we get for the money we do spend that is important; similarly, it is important for us to know how much material to fight this war we are getting for every dollar the American taxpayers put up, so that the money may be spent wisely and judiciously. Then when the taxpayers come to pay this bill you are creating they will know that they have got something for their money, that there has not been a lot of graft, and that contracts have not been awarded that yield exorbitant profits.

Where are the money changers, I ask the administration?

I claim, too, that the Congress of the United States deserves a lot of censure on this point. I, as a member of the Committee on Appropriations, deserve some of it, and am willing to assume it. I have tried in the Committee on Appropriations to find out for what these funds were spent, but everybody was so engrossed with the idea that we ought to turn this money over to the President and Army and Navy that it almost seemed as if anybody who criticized the spending of these moneys would be looked upon as a Nazi sympathizer or a Communist.

I guarantee I am neither. I am 100 percent American.

It is rather tough to stand here in the well of the House and make the statements I am making now. It is also hard to have the sentiment expressed over the country that anyone who is trying to do a legitimate and conscientious job should be criticized if he wants to find out whether all of these appropriations are being wisely and judiciously expended. I believe that whenever we do not go into these things and delve into all matters of expenditure we should be criticized. We should know. We have the right to insist that graft and corruption should and must stop.

When I look at the Treasury statement here of April 30, and I see that in 10 months we have gone into the red over \$14,000,000,000 I am impressed more than ever by the necessity for looking carefully into every one of our expenditures. Large as this sum is, \$14,000,000,000, it is only one-half or one-third of the amount we are going to be in the red next year.

We now hear about a tax bill coming in here for \$7,000,000,000. The amount to be raised by that tax bill is not going to be a drop in the bucket when we consider the rate at which we are spending today. Later on we will have to go back

to the people of the country and tell them that they have got to bend their backs and work to pay for the extravagances and the wastefulness that is now going on.

It does not make any difference whether we are in war or at peace. It certainly behooves us to assume our responsibilities and we should certainly see that the men entrusted with this vast sum use their ingenuity and their business ability, if they have any, in order that we may get our money's worth for every dollar expended. The people charged with this responsibility should use their business ability, if they have any, and if they have not, then it is about time we got some business ability into the administration and not allow these enormous profits to be made. I charge this administration for the failure today for sensible contracts. That is all wrong and should never be permitted at any time.

As a member of the Appropriations Committee I do not like to stand up here and criticize things that are going on, but I certainly do not like unethical, unsound, or unbusinesslike methods to be employed in connection with the expenditures of the Government. We should be patriotic, but I do not believe we are supposed to agree to everything the administration may want to do in the conduct of this war. I certainly want to win this war as much as anybody on earth and that is the greatest job we have to do, but we certainly are not going to win it by extravagance. We will break down by extravagance. This administration always has been extravagant.

I think the chairman of the Committee on Accounts did a fine thing in giving the Naval Affairs Committee money to carry on its work. That is money wisely spent and may yield a thousandfold in returns. That fits in with the point I am trying to make now that the Army and the Navy and everyone in the Government who has anything to do with the letting of contracts ought to know what they are doing before they let them. They should have some idea of cost. It is too bad when we have to dig out information about these things after the water has gone over the wheel. It is always said that water that has gone over the wheel is lost forever and that is the way it is with money that is spent extravagantly—it is lost forever.

Let us see that the Congress does a better job and let us also see that the President and Army and the Navy and those responsible for Government expenditures give us sane and sensible contracts, contracts that the people of this country will be pleased that we have negotiated. Remember the people have to pay by the sweat of their brow the taxes that will be assessed. Remember a nation cannot fight with a bankrupt treasury. Remember you cannot support an Army, a Navy, and an Air Corps with a financially impaired nation. I charge the administration with carelessness and incompetence in awarding contracts so far in this war and if it is to be won we must stop it. Stop it now.

[Here the gavel fell.]

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to Mr. JACOBSEN (at the request of Mr. HARRINGTON) on account of serious illness in his family.

PERMISSION TO ADDRESS THE HOUSE

Mr. VOORHIS of California. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

[Mr. VOORHIS of California addressed the House. His remarks will appear hereafter in the Appendix.]

SENATE BILL REFERRED

A bill of the Senate of the following title was taken from the Speaker's table and, under the rule, referred as follows:

S. 2202. An act to restore Paul A. Larned, a major, United States Army, retired, to the active list of the Regular Army; to the Committee on Military Affairs.

ENROLLED BILLS SIGNED

Mr. KIRWAN, from the Committee on Enrolled Bills, reported that that committee had examined and found truly enrolled bills of the House of the following titles, which were thereupon signed by the Speaker:

H. R. 3767. An act for the relief of Frank Sheppard; and,

H. R. 4579. An act to amend subsection (c) of section 1 of Public, No. 846, Seventy-fourth Congress (S. 3055), an act to provide conditions for the purchase of supplies and the making of contracts by the United States, and for other purposes.

The SPEAKER announced his signature to an enrolled bill of the Senate of the following title:

S. 1899. An act for the relief of Lawrence Brizendine.

BILLS PRESENTED TO THE PRESIDENT

Mr. KIRWAN, from the Committee on Enrolled Bills, reported that that committee did on this day present to the President, for his approval, bills of the House of the following titles:

H. R. 809. An act for the relief of the legal guardian of Vernon Clemons, Junior; and

H. R. 5596. An act for the relief of Tommy Huddleston.

ADJOURNMENT

Mr. MAHON. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 2 o'clock and 32 minutes p. m.) the House adjourned until tomorrow, Wednesday, May 6, 1942, at 12 o'clock noon.

COMMITTEE HEARINGS

COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE

(Friday, May 8, 1942)

The petroleum investigating subcommittee of the Committee on Interstate and Foreign Commerce will hold a meeting at 10 a. m. on Friday, May 8, 1942, in connection with the investigation of petroleum.

Price Administrator Leon Henderson will appear before the committee.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1616. A letter from the Secretary of the Navy, transmitting reports of negotiated contracts entered into by the Navy Department during the quarter ended March 31, 1942; to the Committee on Naval Affairs.

1617. A letter from the Secretary of the Navy, transmitting a report of contracts entered into by the Navy Department for buildings, facilities, etc., for the quarter ended March 31, 1942; to the Committee on Naval Affairs.

1618. A letter from the Acting Secretary of the Interior, transmitting a copy of the legislation passed by the Legislative Assembly of the Virgin Islands (session 1941) pursuant to section 16 of the Organic Act of the Virgin Islands of the United States, approved June 22, 1936, which requires that all laws enacted by the Legislative Assembly of the Virgin Islands shall be reported by the Governor to the Secretary of the Interior and by the Secretary of the Interior to the Congress; to the Committee on Insular Affairs.

1619. A letter from the Acting Secretary of the Interior, transmitting copies of legislation passed by the Municipal Council of St. Thomas and St. John pursuant to section 16 of the Organic Act of the Virgin Islands of the United States, approved June 22, 1936, which requires that all laws enacted by the Municipal Councils of the Virgin Islands shall be reported by the Governor to the Secretary of the Interior and by the Secretary of the Interior to the Congress; to the Committee on Insular Affairs.

1620. A letter from the Comptroller General of the United States, transmitting a report and recommendation concerning the claim of *D. A. Sullivan & Sons, Inc., v. the United States*; to the Committee on Claims.

1621. A letter from the Secretary of War, transmitting a letter from the Chief of Engineers, United States Army, dated February 25, 1942, submitting a report, together with accompanying papers, on a review of the reports on the Richmond Harbor, Calif., requested by a resolution of the Committee on Rivers and Harbors, House of Representatives, adopted on July 30, 1941; to the Committee on Rivers and Harbors.

1622. A letter from the Secretary of War, transmitting a letter from the Chief of Engineers, United States Army, dated February 12, 1942, submitting a report, together with accompanying papers, on a review of reports on the Boston Harbor, Mass., with a view to determining if it is advisable to construct a deep channel extending from the Seaplane Channel to or near the property of the Boston Port Development Co., requested by a resolution of the Committee on Rivers and Harbors, House of Representatives, adopted on June 10, 1941; to the Committee on Rivers and Harbors.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. MAHON: Committee on Appropriations. H. R. 7041. A bill making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of such District for the fiscal year ending June 30, 1943, and for other purposes; without amendment (Rept. No. 2068). Referred to the Committee of the Whole House on the state of the Union.

Mr. COCHRAN: Committee on Accounts. House Resolution 479. Resolution to provide for the expenses of conducting the stud-

ies and investigations authorized by House Resolution 162 of the present Congress, incurred by the Committee on Naval Affairs; without amendment (Rept. No. 2069). Referred to the House Calendar.

Mr. BLAND: Committee on the Merchant Marine and Fisheries. H. R. 6949. A bill to authorize the obligation of funds of the Coast Guard for work or material at Government-owned establishments, and for other purposes; without amendment (Rept. No. 2070). Referred to the Committee of the Whole House on the state of the Union.

Mr. BLAND: Committee on the Merchant Marine and Fisheries. H. R. 6950. A bill to provide for the advancement on the retired list of certain officers of the United States Coast Guard; with amendment (Rept. No. 2071). Referred to the Committee of the Whole House on the state of the Union.

Mr. BLAND: Committee on the Merchant Marine and Fisheries. H. R. 7006. A bill to amend the Coast Guard Auxiliary and Reserve Act of 1941 (Public Law 8, 77th Cong., 1st sess.), as amended by section 10 of the act entitled "An act to amend and clarify certain acts pertaining to the Coast Guard, and for other purposes," approved July 11, 1941 (Public Law 166, 77th Cong., 1st sess.); with amendment (Rept. No. 2072). Referred to the Committee of the Whole House on the state of the Union.

Mr. RANDOLPH: Committee on the District of Columbia. H. R. 6362. A bill to amend an act entitled "An act to regulate the practice of the healing art to protect the public health in the District of Columbia," approved February 27, 1929; without amendment (Rept. No. 2074). Referred to the Committee of the Whole House on the state of the Union.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. RANDOLPH: Committee on the District of Columbia. H. R. 6925. A bill to provide additional compensation for Joseph Sharfstein, Esq., for professional services rendered the District of Columbia, and for other purposes; without amendment (Rept. No. 2073). Referred to the Committee of the Whole House.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. CELLER:

H. R. 7042. A bill to amend the Employees' Compensation Act of September 7, 1916, as amended to provide compensation for air-raid wardens and other civilian defense workers; to the Committee on the Judiciary.

By Mr. HÉBERT:

H. R. 7043. A bill to provide for the payment of retired pay to certain retired judges of the police and municipal courts of the District of Columbia; to the Committee on the District of Columbia.

By Mr. RAMSAY:

H. R. 7044. A bill to amend the Nationality Act of 1940; to the Committee on Immigration and Naturalization.

By Mr. VINSON of Georgia:

H. R. 7045. A bill to authorize employment on active duty in time of war of officers on the emergency officers' retired lists of the Navy and Marine Corps; to the Committee on Naval Affairs.

By Mr. BOREN:

H. R. 7046. A bill to protect the rights of the workman; to the Committee on the Judiciary.

By Mr. KNUTSON:

H. R. 7047 (by request). A bill conferring jurisdiction upon the Court of Claims to hear, determine, and render judgment upon claims of Indians of the Northern Indian Confederacy, and for other purposes; to the Committee on Indian Affairs.

By Mr. MCINTYRE:

H. R. 7048. A bill to grant to certain non-Indians owning land in the Wind River Indian Reservation, Wyo., the right to renew certain leases and permits held or formerly held by them with respect to ceded lands in such reservation; to the Committee on Indian Affairs.

By Mr. TREADWAY:

H. R. 7049. A bill relating to the taxation of community-property income; to the Committee on Ways and Means.

By Mr. HARRINGTON:

H. R. 7050. A bill to amend the Farm Credit Act of 1933, as amended, to improve and safeguard the financial integrity of the Farm Credit Administration by effecting a better coordination of Federal lending and marketing activities; to provide a permanent formula for arriving at parity prices for farm commodities; to provide for the general welfare of the people of the United States by establishing the means to stabilize the purchasing power of money, to protect them and their property from the recurring evils of inflation and deflation, and to promote the greatest normal exchange of goods and services among themselves and with the citizens of other nations; and for other purposes; to the Committee on Agriculture.

By Mr. CELLER:

H. J. Res. 310. Joint resolution to authorize the Federal Bureau of Investigation of the Department of Justice, the Military Intelligence Division of the War Department, and the Office of Naval Intelligence of the Navy Department in the conduct of certain investigations in the interest of prosecution of the war, to make use of intercepted communications without regard to the limitations contained in section 605 of the Communications Act of 1934 (48 Stat. 1103), and for other purposes; to the Committee on the Judiciary.

By Mr. FULMER:

H. J. Res. 311. Joint resolution continuing the Federal Surplus Commodities Corporation as an agency of the United States; to the Committee on Agriculture.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. McGEHEE:

H. R. 7051. A bill for the relief of Angela Skeoch; to the Committee on Claims.

By Mr. RIZLEY:

H. R. 7052. A bill granting an increase of pension to Hannah Casler; to the Committee on Invalid Pensions.

By Mr. SHEPPARD:

H. R. 7053. A bill for the relief of Mrs. Flora M. Overton; to the Committee on Claims.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

2754. By Mr. HEIDINGER: Petition of M. L. Cross and sundry other citizens of Equality, Ill., and vicinity, urging the enactment of Senate bill 860; to the Committee on Military Affairs.

2755. Also, petition of the local Woman's Christian Temperance Union, of Equality, Ill., by Elizabeth Read, president, urging the enactment of Senate bill 860; to the Committee on Military Affairs.

77TH CONGRESS
2D SESSION

H. J. RES. 311



IN THE HOUSE OF REPRESENTATIVES

MAY 5, 1942

Mr. FULMER introduced the following joint resolution: which was referred
to the Committee on Agriculture

JOINT RESOLUTION

1 *Resolved by the Senate and House of Representatives*
2 *of the United States of America in Congress assembled,*
3 That the Federal Surplus Commodities Corporation is hereby
4 continued as an agency of the United States, under the direc-
5 tion of the Secretary of Agriculture, until the Congress shall
6 otherwise direct.

JOINT RESOLUTION

Continuing the Federal Surplus Commodities Corporation as an agency of the United States.

By Mr. FULMER

MAY 5, 1942

Referred to the Committee on Agriculture

necessity as they know the righteousness of the cause.

For many months there have been persistent and ugly rumors circulating about the activities of the people who have been operating the various bureaus in the Office of Production Management and later the War Production Board, and the answers given to the Guthrie charges have not been, in my opinion, the kind of answers to which the American people are entitled. We all know of the greed displayed by automobile manufacturers last year and the enormous use that they made of hundreds of thousands of tons of critical materials, and we know today that they are attempting to make up the delays they caused to our armament program by stupendous efforts in the production of munitions. I am wondering if in the reorganization of the old Office of Production Management set-up, we have not changed from one type of business opportunist to another type of the same breed. With all of the gossip, rumors, and general dissatisfaction throughout the country, particularly on the part of the man operating a small hardware store, appliance shop, or farm-implement business, I am wondering if it would not be well for Mr. Nelson frankly to discuss his policies and his organization with the taxpayers. I have great respect for Mr. Nelson and the record that he has made in business, and I feel quite certain that a man who drew a salary of \$80,000 a year from Sears, Roebuck & Co. must be most efficient and capable. I also realize that in an enormous organization, such as the War Production Board has become, it might be oversanguine to hope that every man appointed to every job would be either 100-percent honest or 100-percent efficient.

I spent an hour one day walking through the halls of some of the buildings occupied by the War Production Board personnel, and was astounded to see the large number of men of draft age who appeared to be working there. I was equally surprised to see the few American Legion buttons that were in evidence. I am, however, a trifle curious. I would like to know, for example, the names and titles of former Sears, Roebuck employees who are now working for the War Production Board. Likewise, it would be interesting to ascertain the names and titles of the personnel who were former employees of companies who do 25 percent or more of their total annual business with Sears, Roebuck & Co. The reason I would appreciate this information is because I would like to learn if there is any connection between the activities of these men in arbitrarily making rules and regulations to clamp down on small American business and the fact that as of January 31 this year Sears, Roebuck & Co. show in their annual report that they have inventories and commitments for merchandise totaling \$317,776,558. My business friends in the district I represent are facing bankruptcy because they cannot obtain the merchandise that they so urgently need to make their livings, and yet I recently saw a quotation from Gen. Robert E. Wood, chairman of the board of directors of Sears, Roebuck & Co., in which he said, discussing Sears,

Roebuck sales in 1942, and I am quoting:

The over-all decline in sales for the full year will probably amount to about 6 percent dollar volume.

Somehow there seems to be something anomalous in these figures.

Recently there have been unkind rumors in circulation reflecting most seriously upon the integrity of some of the leaders of big business, and other stories, while not intimating lapses in the honesty of our big businessmen, certainly carry a reflection on their business judgment.

I do not like to read in wartimes the implication that Mr. Knowlson, the president of Stewart-Warner Co., and Mr. Reed, chairman of the board of directors of the General Electric Co., were using their positions in the War Production Board to so adjust production and prices in the radio and refrigerator industries, of which both are members, that it could be construed that they were helping their private interests. I do not like to read in the public press that the head of the Sears, Roebuck organization anticipates a mere 6-percent reduction in the dollar volume of sales that this gigantic corporation will make in 1942, when dozens of my friends, and thousands of other earnest, patriotic American citizens, trying to make a living operating little stores in the towns and villages of my district and in other sections of the country, are unable to get enough products to sell to pay their help or even their own grocery bills. I do not like to read about the millions of dollars the top executives in General Motors Co. must pay back because a judge found that they were not entitled to the money. I do not like to read about the Standard Oil Co. of New Jersey having some kind of a fancy arrangement with the Germans, nor do I like to read about the General Electric deal with the Krupp interests.

The little manufacturer, the worker at the bench, the little storekeeper are all doing their bit today, uncomplainingly and willingly; so it seems to me that the time has come for Mr. Nelson to check over his organization and let the people and the Congress know who they are and what they are doing, because without the confidence of the public, without the confidence of the Congress, and without the confidence of the overall-uniformed soldiers on the production front, the War Production Board is doomed to failure, and we have not time for more failures than we have already experienced.

EXTENSION OF REMARKS

Mr. DINGELL. Mr. Speaker, I ask unanimous consent to insert in the Record a poem entitled "God's War," which appears currently in Collier's magazine. The poem deals with an expression uttered by Joe Louis. Incidentally, Mr. Speaker, may I say that I heard a brilliant radio sermon by Msgr. Fulton J. Sheen, in which a long time ago he pointed out that people should pray to be on God's side in this war rather than attempt to enlist the aid of God in an unrighteous war.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan?

There was no objection.

[The matter referred to appears in the Appendix.]

PERMISSION TO ADDRESS THE HOUSE

Mr. REES of Kansas. Mr. Speaker, I ask unanimous consent to address the House for 5 minutes.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Kansas?

There was no objection.

SHALL WE HAVE MORE SUGAR OR MORE LIQUOR

Mr. REES of Kansas. Mr. Speaker, our Government has embarked on a huge rationing program. This move, we are advised, is to provide a more even distribution among consumers and to supply more essentials for war demands. Hundreds of items are included. Sugar is one of most importance. Certainly, few people should or would complain because their sugar supply is cut a little. There is no sacrifice involved, especially when the Government needs it.

Mr. Speaker, I call particular attention right now to the fact that little has been done to ration or take over the liquor supply in this country. It should be done, at least, for the reason that it contains such a great amount of sugar that can be used for making munitions.

It is estimated last year 130,000,000 pounds of sugar and sirup were used in making liquor. It is also reported there is a 5 or 6 year's supply of liquor on hand. It requires about 900 pounds of sugar in the explosive each time to fire a Navy 6-inch gun. This liquor supply would make a lot of smokeless powder.

More important is the protection of morale and physical well-being of the boys in our armed forces. Use and sale of liquor near our training camps would be prevented. Hardly anyone will insist the use of liquor is essential in winning the war. Neither would anyone seriously contend he is smaking a sacrifice not to have liquor in this emergency.

Mr. Speaker, on this question of rationing, it hardly seems right that beer trucks should have priorities on tires when a farmer using his car to carry his produce to market does not. Mr. Speaker, the use of a little common hard sense will convince anyone that the public, as well as the Army, would be a lot better off with less liquor and more sugar.

Using a quotation from a timely article in a recent issue of the National Grange Monthly, I ask, "Is American patriotism of such limited character that if making whisky retards winning the war will we still cling to whisky?"

Mr. Speaker, a government that can take over and ration automobiles, tires, typewriters, razor blades, clothing, sugar, and other foods can also take over the distilleries and the liquor supplies and use them completely for the more important purpose of making munitions of war.

And now, Mr. Speaker, I want to commend the distinguished and able gentleman from Nebraska [Mr. STEFAN] for

calling the attention of the House today to the fact that the huge sugar crop, subsidized by the Treasury of the United States, is being made into rum and sold in the United States. That certainly does not make sense when we need sugar and we do not need rum.

ENROLLED BILL SIGNED

Mr. KIRWAN, from the Committee on Enrolled Bills, reported that that committee had examined and found truly enrolled a bill of the House of the following title, which was thereupon signed by the Speaker:

H. R. 4402. An act to amend existing law to provide privilege of renewing 5-year level-premium term policies for another 5-year period.

ADJOURNMENT

Mr. PRIEST. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 2 o'clock and 30 minutes p. m.) the House adjourned until tomorrow, Tuesday, May 12, 1942, at 12 o'clock noon.

COMMITTEE HEARINGS

COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE

(Tuesday, May 19, 1942)

There will be a meeting of the Committee on Interstate and Foreign Commerce at 10 a. m., Tuesday, May 19, 1942.

Business to be considered: The hearings in connection with the Federal Communications Commission will be resumed on May 19 at 10 a. m.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1625. A communication from the President of the United States, transmitting a supplemental estimate of appropriation for the Office of Emergency Management, fiscal year 1942, to increase the marine and war risk insurance fund of the War Shipping Administration in the amount of \$210,000,000 (H. Doc. No. 720); to the Committee on Appropriations and ordered to be printed.

1626. A letter from the Secretary of War, transmitting a draft of a proposed bill to amend the Federal Explosives Act, as amended, by removing from the application of the act explosives or ingredients in transit upon aircraft in conformity with statutory law or rules and regulations of the Civil Aeronautics Board; to the Committee on Mines and Mining.

1627. A letter from the Archivist of the United States, transmitting a list of papers recommended to him for disposal by certain agencies of the Federal Government; to the Committee on the Disposition of Executive Papers.

1628. A letter from the Secretary of War, transmitting a letter from the Chief of Engineers, United States Army, dated February 3, 1942, submitting a report, together with accompanying papers, on a preliminary examination and survey of the Chagrin River and tributaries, Ohio, authorized by the Flood Control Act approved on June 28, 1938; to the Committee on Flood Control.

1629. A letter from the Secretary of War, transmitting a letter from the Chief of Engineers, United States Army, dated February 12, 1942, submitting a report, together with accompanying papers, on a preliminary examination and survey of the Spoon River, Ill., authorized by the Flood Control Act ap-

proved on June 22, 1936; to the Committee on Flood Control.

1630. A letter from the Secretary of War, transmitting a letter from the Chief of Engineers, United States Army, dated February 3, 1942, submitting a report, together with accompanying papers, on a preliminary examination and survey of the Lost River and tributaries in the vicinity of Orleans, Ind., authorized by the Flood Control Act approved on June 28, 1938; to the Committee on Flood Control.

1631. A letter from the Secretary of War, transmitting a letter from the Chief of Engineers, United States Army, dated February 6, 1942, submitting a report, together with accompanying papers, on a preliminary examination of the Whiteoak and Straight Creeks, Ohio, authorized by the Flood Control Act approved on August 11, 1939; to the Committee on Flood Control.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. COX: Committee on Rules. House Resolution 480. Resolution for the consideration of S. 2025, an act to readjust the pay and allowances of personnel of the Army, Navy, Marine Corps, Coast Guard, Coast and Geodetic Survey, and Public Health Service; without amendment (Rept. No. 2107). Referred to the House Calendar.

Mr. FULMER: Committee on Agriculture: House Joint Resolution 311. Joint resolution continuing the Federal Surplus Commodities Corporation as an agency of the United States; with amendment (Rept. No. 2118). Referred to the Committee of the Whole House on the state of the Union.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. COFFEE of Washington: Committee on Claims. H. R. 780. A bill for the relief of Harvey C. Artis; with amendment (Rept. No. 2108). Referred to the Committee of the Whole House.

Mr. JENNINGS: Committee on Claims. H. R. 888. A bill for the relief of Charles Thomason, administrator of the estate of Iverson Thomason; with amendment (Rept. No. 2109). Referred to the Committee of the Whole House.

Mr. WINTER: Committee on Claims. H. R. 1740. A bill for the relief of Luther Chitty and Susie Chitty; with amendment (Rept. No. 2110). Referred to the Committee of the Whole House.

Mr. KEOGH: Committee on Claims. H. R. 3173. A bill to extend the benefits of the Employees' Compensation Act of September 7, 1916, to Mrs. Charles O. DeFord; with amendment (Rept. No. 2111). Referred to the Committee of the Whole House.

Mr. WINTER: Committee on Claims. H. R. 3402. A bill for the relief of Catherine R. Johnson; without amendment (Rept. No. 2112). Referred to the Committee of the Whole House.

Mr. GILLETTE: Committee on Claims. H. R. 4741. A bill for the relief of the Midwest Oil Co.; without amendment (Rept. No. 2113). Referred to the Committee of the Whole House.

Mr. PITTENGER: Committee on Claims. H. R. 5526. A bill for the relief of James E. Savage; with amendment (Rept. No. 2114). Referred to the Committee of the Whole House.

Mr. COFFEE of Washington: Committee on Claims. H. R. 5610. A bill for the relief of Marshall E. Cannon; without amendment (Rept. No. 2115). Referred to the Committee of the Whole House.

Mr. CHENOWETH: Committee on Claims. H. R. 6491. A bill for the relief of the heirs of John W. Adams; without amendment (Rept. No. 2116). Referred to the Committee of the Whole House.

Mr. JENNINGS: Committee on Claims. H. R. 6992. A bill for the relief of Eileen Collins Treacy; without amendment (Rept. No. 2117). Referred to the Committee of the Whole House.

CHANGE OF REFERENCE

Under clause 2 of rule XXII the Committee on Pensions was discharged from the consideration of the bill (H. R. 2627) for the relief of Benjamin E. McCall, and the same was referred to the Committee on World War Veterans' Legislation.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. GORE:

H. R. 7064. A bill to amend the Emergency Price Control Act of 1942; to the Committee on Banking and Currency.

H. R. 7065. A bill to prevent excess purchasing power resulting from the war-production program from contributing to inflation; to the Committee on Ways and Means.

By Mr. CRAVENS:

H. R. 7066. A bill to amend an act entitled "An act to establish a uniform system of bankruptcy throughout the United States," approved July 1, 1898, and acts amendatory thereof and supplementary thereto; to the Committee on the Judiciary.

By Mr. HOBBS:

H. R. 7067. A bill to amend the act entitled "An act to protect trade and commerce against interference by violence, threats, coercion, or intimidation," approved June 18, 1934; to the Committee on the Judiciary.

By Mr. KEOGH:

H. R. 7068. A bill to amend the act of March 2, 1929 (ch. 586, 45 Stat. 1542); to the Committee on Accounts.

By Mr. RANDOLPH:

H. R. 7069. A bill to establish a Division of Aviation Education in the United States Office of Education, Federal Security Agency, and for other purposes; to the Committee on Education.

By Mr. RANKIN of Mississippi:

H. R. 7070. A bill to provide for the issuance of a flag to the nearest relatives of certain persons who die in service in the land or naval forces of the United States; to the Committee on World War Veterans' Legislation.

By Mr. RAMSPECK:

H. R. 7071. A bill to provide temporary additional compensation for civilian employees of the Governments of the United States and of the District of Columbia; to the Committee on the Civil Service.

By Mr. COFFEE of Nebraska:

H. R. 7072. A bill to provide reduced interest rates for certain indebtedness to the Federal land banks secured by farm real estate; to provide for the refunding of certain bonds of the Federal land banks; to amend the Federal Reserve Act, as amended; and for other purposes; to the Committee on Agriculture.

By Mr. BARDEN:

H. J. Res. 312. Joint resolution to authorize an additional appropriation of \$1,000,000 for

77TH CONGRESS }
2d Session }

HOUSE OF REPRESENTATIVES

REPORT
No. 2118

CONTINUANCE OF FEDERAL SURPLUS COMMODITIES CORPORATION

MAY 11, 1942.—Committed to the Committee of the Whole House on the state
of the Union and ordered to be printed.

Mr. FULMER, from the Committee on Agriculture, submitted
the following

REPORT

[To accompany H. J. Res 311]

The Committee on Agriculture, to whom was referred the joint resolution (H. J. Res. 311) continuing the Federal Surplus Commodities Corporation as an agency of the United States, having considered the same, report thereon with a recommendation that it do pass, with the following amendment:

Strike out the wording "the Congress shall otherwise direct" appearing in lines 5 and 6, and insert in lieu thereof the wording "June 30, 1947."

The purpose of this proposed legislation and the need of its enactment are shown by the following letter:

DEPARTMENT OF AGRICULTURE,
Washington, April 29, 1942.

The Honorable the SPEAKER OF THE HOUSE OF REPRESENTATIVES.

DEAR MR. SPEAKER: There is attached a copy of a proposed joint resolution for the purpose of continuing the Federal Surplus Commodities Corporation as an agency of the United States until the Congress shall otherwise direct.

The Federal Surplus Relief Corporation was granted a certificate of incorporation by the State of Delaware on October 4, 1933, as a nonprofit, nonstock, membership corporation, formed for the purpose of expediting and facilitating the operation of Federal programs particularly in connection with agricultural commodities and the products thereof. By amendment to the certificate of incorporation, November 18, 1933, the name of the corporation was changed from Federal Surplus Relief Corporation to Federal Surplus Commodities Corporation. Public, No. 165, Seventy-fifth Congress, approved June 28, 1937, recognized the Federal Surplus Commodities Corporation as an agency of the United States and extended it as such, under the direction of the Secretary of Agriculture, until June 30, 1939. Public, No. 430, Seventy-fifth Congress, approved February 16, 1938, authorized the continuation of the Federal Surplus Commodities Corporation as an agency of the United States until June 30, 1942.

Pursuant to Government Reorganization Plan No. III, made effective under the authority granted by the Reorganization Act, Public, No. 19, Seventy-sixth Congress, approved April 3, 1939, the Surplus Marketing Administration was organized within the Department of Agriculture, and the functions of the Federal Surplus Commodities Corporation as an agency of the Department of Agriculture, and certain related funds were transferred and consolidated into the Surplus Marketing Administration.

These functions are described in the Report of the Federal Surplus Commodities Corporation for the fiscal year 1941, which was transmitted to Congress on April 6, 1942.

By Executive Order 9069, dated February 23, 1942 (7 Federal Register 1409), the President consolidated the functions of the Surplus Marketing Administration into the Agricultural Marketing Administration, including the functions of the Federal Surplus Commodities Corporation as an agency of the Department of Agriculture.

The corporation is now used to carry out pooled buying of agricultural commodities and products for distribution for lend-lease, territorial emergency, Red Cross, and domestic consumption purposes, as well as to meet the requirements of the Army and Navy under certain emergency conditions. In many instances the same commodity is needed for two or more of these outlets, and the use of the corporation makes possible purchases in large quantities at a considerable saving of time and expense prior to the allocation of commodities by the Agricultural Marketing Administration for the desired outlet. The Federal Surplus Commodities Corporation is also used as an instrumentality for the carrying out of certain export indemnity programs financed with funds appropriated for the purposes of section 32, Public, No. 320, Seventy-fourth Congress, approved August 24, 1935, as amended. The operations of the Agricultural Marketing Administration in carrying out programs of the Department of Agriculture are greatly facilitated and expedited by use of the corporation.

A number of questions are now being raised by producers, handlers, and processors of agricultural commodities who have contracted and are contracting with the Federal Surplus Commodities Corporation for the purchase of commodities for delivery after June 30, 1942, as to whether the Corporation will have authority subsequent to June 30, 1942, to honor obligations relating to such transactions.

In view of the necessity of continuing and expediting processing and purchasing contracts to promote the war effort, the early enactment of the attached proposed joint resolution is urged. Your cooperation in forwarding the proposed joint resolution for immediate congressional consideration is respectfully requested.

This proposed legislation does not involve the appropriation of any funds.

The Bureau of the Budget advises that it has no objection to the submission of this proposed joint resolution.

Sincerely,

GROVER B. HILL, *Acting Secretary.*

C

77TH CONGRESS
2D SESSION

Union Calendar No. 741

H. J. RES. 311

[Report No. 2118]



IN THE HOUSE OF REPRESENTATIVES

MAY 5, 1942

Mr. FULMER introduced the following joint resolution; which was referred to the Committee on Agriculture

MAY 11, 1942

Reported with an amendment, committed to the Committee of the Whole House on the state of the Union, and ordered to be printed

[Omit the part struck through and insert the part printed in italic]

JOINT RESOLUTION

- 1 *Resolved by the Senate and House of Representatives*
- 2 *of the United States of America in Congress assembled,*
- 3 That the Federal Surplus Commodities Corporation is hereby
- 4 continued as an agency of the United States, under the direc-
- 5 tion of the Secretary of Agriculture, until ~~the Congress shall~~
- 6 ~~otherwise direct~~ *June 30, 1947.*

77TH CONGRESS
2^D SESSION

H. J. RES. 311

[Report No. 2118]

JOINT RESOLUTION

Continuing the Federal Surplus Commodities
Corporation as an agency of the United
States.

By Mr. FULMER

MAY 5, 1942

Referred to the Committee on Agriculture

MAY 11, 1942

Reported with an amendment, committed to the Com-
mittee of the Whole House on the state of the
Union, and ordered to be printed

There was a difference, of course—a rather large difference—between the pay of the United States troops in the Philippines and the troops who are members of the Philippine Commonwealth Army. Some years ago, General MacArthur was sent to the Philippines for the purpose of training both the troops of the Philippine Commonwealth and the United States troops stationed there. He did train them all together, and they have been fighting together.

The very fact that there is a wide difference between the pay of the United States trooper and the Philippine Commonwealth Army trooper is being urged by Japan today all over India and Burma and in all the islands of the far Pacific as a basis and ground for their propaganda that the United States Government does not propose to treat the orientals in the same way we propose to treat others even if we win the war, and it is having a decidedly bad effect. For this reason, therefore, this legislation is imperative at this time in order to kill the propaganda machine of the Japanese Government.

Mr. STEFAN. Mr. Speaker, will the gentleman yield?

Mr. MAY. I yield.

Mr. STEFAN. I am sure the gentleman from Kentucky has gone into the matter very carefully. I agree with him, but why not take into consideration also the Philippine Constabulary troops, who participated in the defense of the Philippines equally with the members of the Philippine Commonwealth Army?

Mr. MAY. It includes all of them.

Mr. STEFAN. It does not include the Philippine Constabulary at all, it does not say so in the bill before us.

Mr. MAY. They are all included.

Mr. STEFAN. The gentleman talks about the Philippine Commonwealth Army, but he does not talk about the Philippine Constabulary at all.

Mr. MAY. It was included in it by an Executive order of the President after MacArthur took over all of them with the permission of the Philippine Government.

Mr. STEFAN. Will the gentleman tell the House and assure me that the Philippine Constabulary is included in the benefits of this legislation?

Mr. MAY. They are both included, the Philippine Commonwealth Army and the Philippine Constabulary, and all the American troops.

Mr. STEFAN. I am glad to know this. The heroism of many members of the Philippine Constabulary is well known and I am glad that they are being recognized.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan that the bill be passed over without prejudice?

There was no objection.

OVERTIME PAY IN LIEU OF VACATIONS FOR CERTAIN GOVERNMENT EMPLOYEES COVERED BY PUBLIC LAW 100, SEVENTY-SEVENTH CONGRESS

The Clerk called the next bill, H. R. 7020, amending Public Law No. 100, Seventy-seventh Congress (approved June 3, 1941).

Mr. RAMSPECK. Mr. Speaker, reserving the right to object, can the gentleman from Kentucky inform us whether this bill in any way affects the question of overtime pay? Or is it limited to pay for annual leave which employees forego in an effort to help win the war?

Mr. MAY. It is confined to the annual leave that has been earned by certain necessary employees of the War Department who were privileged to take either 30, 60, or 90 days, whatever they had earned, and stay on the job and work and be paid their regular pay plus time and a half. It does not affect the regular pay schedule at all.

Mr. RAMSPECK. Or the overtime provisions?

Mr. MAY. Any overtime provisions merely extend the provisions of Public Law No. 100 for another 2 years.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That section 4 of Public Law No. 100, Seventy-seventh Congress (approved June 3, 1941), be amended by striking out therefrom "June 30, 1942" and inserting in lieu thereof "June 30, 1944."

The bill was ordered to be engrossed and read a third time, and passed, and a motion to reconsider was laid on the table.

Mr. BLAND. Mr. Speaker, in the colloquy between the gentleman from Michigan and myself I said that I would ask unanimous consent to insert certain papers. I do not know that that was stated at the time and consent received. I ask that consent now.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Virginia [Mr. BLAND]?

There was no objection.

Mr. CANFIELD. Mr. Speaker, I ask unanimous consent to revise and extend my remarks on H. R. 6081 passed this afternoon.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New Jersey [Mr. CANFIELD]?

There was no objection.

CONTINUANCE OF FEDERAL SURPLUS COMMODITIES CORPORATION

The Clerk called the next business, House Joint Resolution 311, continuing the Federal Surplus Commodities Corporation as an agency of the United States.

The SPEAKER pro tempore. Is there objection to the present consideration of the resolution?

Mr. WOLCOTT. Mr. Speaker, reserving the right to object, I notice that the committee amendment strikes out the limitation in the bill that authority will "continue until Congress shall otherwise direct", and substitutes the date June 30, 1947, which is 5 years from now. That would extend the life of the Federal Surplus Commodities Corporation for 5 years. It seems to me that we should protect this situation because perhaps 5 years from now the authority of the Federal Surplus Commodities Corporation might be in conflict with Congressional policy and we might have some difficulty to repeal the law. May I ask

the gentleman why the committee intends to substitute the date June 30, 1947, for the language contained in the original bill?

Mr. FULMER. I may say that the committee, when we had this under consideration, felt that within the next 5 years, depending on the war, we would be in a better position to ascertain whether or not it would really be necessary to extend this Corporation for a further time.

Mr. WOLCOTT. I think we recognize that the Federal Surplus Commodities Corporation has extended its activities somewhat beyond its original scope in the last few months, and it is perfectly all right that it should, of course. But this is a Delaware corporation, a non-profit, nonstock corporation, over which the Congress exercises some jurisdiction, but has little or nothing to say in respect to its charter and its scope of activity.

My objection goes to the point that we confirm this Corporation. We do not freeze it at all in respect to its objective, but we do extend the life of the Corporation by legislative fiat to June 30, 1947. In the meantime the Corporation can amend its charter in any way it sees fit and the life of the Corporation is not affected thereby. If we should extend the life of the Corporation to June 30, 1947, I doubt whether the Board of Directors of the Corporation or the President by Executive order could limit the life of the Corporation to any date between now and June 30, 1947.

It seems to me there should be a date agreed upon, we will say 2 or 3 years from now, so that we can exercise more control over the activities of the Corporation without making it, in effect, permanent.

Mr. FULMER. May I say to the gentleman that for the duration of the emergency and extending after the close of the war the members of the committee thought that this Corporation was doing a splendid job, and definitely tied in with our war effort, and perhaps could be utilized after the close of the war if the war closed within the next 2 or even 3 years, and that it would be well to extend the time until 1947. In the meantime the Congress would have the right to cancel this by special legislation or give an additional extension at that time.

Mr. WOLCOTT. What is the life of the Corporation now?

Mr. FULMER. June 30.

Mr. WOLCOTT. It can be extended under the laws of Delaware?

Mr. FULMER. It expires on June 30.

Mr. WOLCOTT. It can be extended just the same as it was created, so we do not add anything to this Corporation excepting the confirmation of it by the Congress. We confirm this Corporation and make it an agency of the Government until June 30, 1947. They have the authority to set up this Corporation by Executive order. They have the authority to extend the life of the Corporation by Executive order. Now, what else is there in the bill other than confirmation of the order setting up the Corporation? In other words, by this action we confirm the Federal Surplus Commodities Corporation. We have not taken congressional action directly in respect to the

four corporations set up under 5 (b), the War Plants Corporation, Rubber Reserve Company, Metals Reserve Company, and one other that I have not in mind just now. We have not seen fit to take any direct legislative action in respect to those corporations. Why do we deem it necessary to take direct legislative action in respect to the Surplus Commodities Corporation, which, as the gentleman says, is doing a good job and should not be hampered, perhaps, by any further limitations by the Congress?

Mr. FULMER. The gentleman would be in a position to pass on that just as well as I would. The bill proposes to extend this an unlimited time, inasmuch as the Corporation has been doing such splendid work not only in connection with the agricultural program but with our war effort. We have amended the bill so as to make it 5 years.

Mr. WOLCOTT. If the House does not act on this bill, are any of the activities of the Surplus Commodities Corporation going to be interfered with at all?

Mr. FULMER. I would not think so, except that they tell me that it will expire on the 30th of June.

Mr. WOLCOTT. The gentleman means that the life of the corporation would be extended under this bill?

Mr. FULMER. Yes.

Mr. WOLCOTT. Mr. Speaker, I think that perhaps we should look into this matter a little further. For that reason, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan?

There was no objection.

CODIFYING TITLE I OF THE UNITED STATES CODE

The Clerk called the next bill, H. R. 4280, to codify title I of the United States Code.

Mr. WOLCOTT. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

NAVAL AIRCRAFT

The Clerk called the next bill, H. R. 7007, to authorize the construction or acquisition of additional naval aircraft, and for other purposes.

Mr. IZAC. Mr. Speaker, in order that the House Committee on Naval Affairs may have a chance to pass on certain Senate amendments, I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

CERTAIN MINING CLAIMS

The Clerk called the next bill, H. R. 6295, to suspend the requirement for the performance of annual labor on certain mining claims.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. O'CONNOR. Reserving the right to object, Mr. Speaker, I should like to have somebody explain this bill. Some time ago we passed a bill suspending assessments on unpatented mining claims. The Senate passed the bill, and the President has signed it. It is now law. I do not understand the necessity for this bill.

Mr. CASE of South Dakota. Mr. Speaker, in view of the fact that this legislation has been covered by the O'Connor bill, I believe, I ask unanimous consent that it be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from South Dakota?

There was no objection.

AUTHORIZING OFFICERS AND ENLISTED MEN OF THE ARMED FORCES OF THE UNITED STATES TO ACCEPT CERTAIN DECORATIONS

The Clerk called the next bill, S. 2404, to authorize officers and enlisted men of the armed forces of the United States to accept decorations, orders, medals, and emblems tendered them by governments of cobelligerent nations or the other American republics.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. KEAN. Reserving the right to object, Mr. Speaker, I should like to ask the chairman of the Committee on Military Affairs about this bill. I do not think there can possibly be any objection to section 1 of the bill. It was the same thing that was passed in the last war. Everybody wants it to go through now. Section 2, however, seems to provide for four medals to be given to members of the military forces of countries friendly to us and also to be given to persons in the military forces of this country, not for services in the face of danger or in face of the enemy. Does it not seem to be going pretty far to provide for four medals?

Mr. MAY. It is only four degrees of medals.

Mr. KEAN. That means four medals.

Mr. MAY. That is to correspond to four different ranks in the military service, to certain officers.

The gentleman understands that many of the countries of South America have tendered medals that are down here in the War Department awaiting authority to deliver them to General Marshall as Chief of Staff of the Army, and to other officers of lower rank who have served in those countries. The purpose of having four degrees of medals—probably the word should be "ranks"—is to enable them to give an appropriate medal to the Chief of Staff, a 4-star general, or to a brigadier general, or a major general.

Mr. KEAN. In other words, four medals.

Mr. MAY. That is right, four different medals.

Mr. KEAN. It is the same general idea as they have in France, where they have the Legion of Honor, First Class, the Legion of Honor, Second Class, the Legion of Honor, Third Class, and the Legion of Honor, Fourth Class. If one is only a

small man he can get the lowest rank of medal, but if he is a great big man he gets the one with a rosette and everything of that kind.

Mr. MAY. That is exactly right, but if the gentleman will look at the report he will find that the committee struck out all of paragraph 2 of section 2, which related to the Medal for Merit, because in the view of the committee that was in the nature of cheapening the medals we were authorizing. There is nothing in this legislation that was not done during the other war.

Mr. KEAN. We have the power now to give the Distinguished Service Medal to anybody "in a duty of great responsibility." Is not that sufficient?

Mr. MAY. That is the Congressional Medal.

Mr. KEAN. No, not the Congressional Medal, the Distinguished Service Medal, which was given in the last war to various colonels, I believe, and others in positions of great responsibility. It is the same medal that was given to this boy in Hawaii who heard the planes coming and reported them, but to whose report nobody paid any attention.

It seems to me we are now able to take care of this matter. You know that in the last war some of these European countries were handing out these things in buckets. They would go to a colonel and say, "We have a dozen or two dozen or three dozen medals for your outfit."

Mr. MAY. The gentleman would not want to give the same kind of medal to a four-star general that he would give to a brigadier general or a colonel.

Mr. KEAN. I would. Absolutely; yes.

Mr. MAY. For different service or different recognition?

Mr. KEAN. Absolutely. If a man has performed good service, I do not see any reason why he should get anything better simply because he has four stars on his shoulder. A private is just as good a man as a general.

Mr. MAY. Then the gentleman would be cheapening the medal to the extent that if a man performed some service infinitely inferior to what some other man has performed, they would all get identically the same thing?

Mr. KEAN. I would; yes. I would give them all identically the same thing. I would give the enlisted man the same thing I would give an officer, because there is no reason why a general should be considered of a superior class.

Mr. MAY. You would not give a man who captured an ordinary fishing boat the same thing you would give Colin Kelley for diving into a battleship?

Mr. KEAN. Certainly not; this medal has not anything to do with service while in danger. It refers to service to the country in general and not in face of the enemy.

Mr. MAY. I understand that.

Mr. KEAN. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

Mr. MAY. Mr. Speaker, I object.

June 1, 1942, notwithstanding the fact that it is two-thirds of a page over the customary two pages, and the excess cost will be \$30.

The SPEAKER. Is there objection?
There was no objection.

[The matter referred to appears in the Appendix.]

Mr. PATMAN. Mr. Speaker, I ask unanimous consent to revise and extend my remarks in the RECORD on two subjects and include therein certain excerpts.

The SPEAKER. Is there objection?
There was no objection.

[The matters referred to will appear hereafter in the Appendix.]

(By unanimous consent, Mr. TRAYNOR and Mr. ARENDS were granted permission to extend their own remarks in the RECORD.)

Mr. MANSFIELD. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include letters written by me to Secretary Ickes and to Mr. J. J. Pelley, together with Mr. Pelley's reply.

The SPEAKER. Is there objection?
There was no objection.

[The matter referred to appears in the Appendix.]

Mr. VOORHIS of California. Mr. Speaker, I ask unanimous consent to extend my remarks on two subjects and in one to include a short excerpt, and in the other an article about Alaska.

The SPEAKER. Is there objection?
There was no objection.

[The matters referred to will appear hereafter in the Appendix.]

Mr. RICH. Mr. Speaker, I ask unanimous consent to insert in the Appendix of the RECORD a statement made by the Governor of Pennsylvania on how they are trying to change the system of voluntary ration boards by substituting for them boards made up of paid Government political henchmen. I think the Members of Congress should read it. The voluntary system should be continued.

The SPEAKER. Is there objection?
There was no objection.

[The matter referred to appears in the Appendix.]

PERMISSION TO ADDRESS THE HOUSE

Mr. O'TOOLE. Mr. Speaker, I ask unanimous consent to address the House for 10 minutes on Tuesday, June 9, after the conclusion of the legislative business and any other special orders that may have been entered.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

EXTENSION OF REMARKS

Mr. SNYDER. Mr. Speaker, I ask unanimous consent to extend my remarks and include therein a commencement address I delivered last Thursday evening.

The SPEAKER. Is there objection?
There was no objection.

[The matter referred to will appear hereafter in the Appendix.]

PERMISSION TO ADDRESS THE HOUSE

Mr. RANKIN of Mississippi. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, to revise and extend my own remarks, and to include certain newspaper and magazine articles.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

[Mr. RANKIN addressed the House. His remarks will appear hereafter in the Appendix.]

FEDERAL LAND BANK AND COMMISSIONER LOANS

Mr. FULMER submitted the following conference report and statement on the bill (H. R. 6315) to extend for 2 additional years the reduced rates of interest on Federal land bank and Land Bank Commissioner loans, for printing under the rules:

CONFERENCE REPORT

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 6315) to extend for two additional years the reduced rates of interest on Federal land bank and Land Bank Commissioner loans, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate; and agree to the same.

H. P. FULMER,
JOHN W. FLANNAGAN, JR.,
WALTER M. PIERCE,
CLIFFORD R. HOPE,
J. ROLAND KINZER,

Managers on the part of the House.

J. H. BANKHEAD,
CLYDE HERRING,
D. WORTH CLARK,

Managers on the part of the Senate.

STATEMENT OF THE MANAGERS ON THE PART OF THE HOUSE

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 6315) to extend for 2 additional years the reduced rates of interest on Federal land bank and Land Bank Commissioner loans, submit the following statement in explanation of the effect of the action agreed upon by the conferees and recommended in the accompanying conference report:

The House bill and the Senate amendment both extended for 2 additional years, or from July 1, 1942, to July 1, 1944, the 3½ per centum annual interest rate on Federal land bank and Land Bank Commissioner loans. The Senate amendment also provided that the same reduced interest rate should be applicable to interest on so-called purchase-money mortgages and on real estate sales contracts taken by Federal land banks which is payable on installment dates occurring after June 30, 1942, except that the rate of interest on such mortgages and contracts should be one-half of 1 per centum per annum in excess of the rate paid by borrowers on mortgage loans made through national farm loan associations. The Senate amendment also provided that in the case of such mortgages and contracts taken by the Federal Farm Mortgage Corporation, the rate of interest payable thereon should not exceed 4 per centum per annum for all interest payable on installment dates occurring on and after July 1, 1942, and prior to July 1,

1944. There were no corresponding provisions in the House bill. The House recedes.

H. P. FULMER,
JOHN W. FLANNAGAN, JR.,
WALTER M. PIERCE,
CLIFFORD R. HOPE,
J. ROLAND KINZER,

Managers on the part of the House.

Mr. FULMER. Mr. Speaker, I ask unanimous consent for the immediate consideration of the conference report on the bill (H. R. 6315) to extend for 2 additional years the reduced rates of interest on Federal land bank and Land Bank Commissioner loans, and ask that the statement be read in lieu of the report.

The SPEAKER. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

The Clerk read the statement of the managers on the part of the House.

Mr. FULMER. Mr. Speaker, this bill was passed by the House some few days ago. It extends the 3½ percent interest rate for 2 years. The Senate added an amendment which would include contract and purchase-money mortgage transactions not to exceed an interest rate of 4 percent.

The Federal land banks and the Federal Farm Mortgage Corporation acquire real estate in the liquidation of loans which break down. When the bank or the Corporation resells the property they acquire in this way, ordinarily the buyer does not pay the full amount of the purchase price in cash; ordinarily he makes a part payment in cash and secures the balance of the purchase price either with a purchase-money mortgage or under a real-estate sales contract. Whether the transaction will take the form of a purchase-money mortgage or a real-estate sales contract depends to a large degree upon local laws and customs.

Where a purchase-money mortgage is given, the buyer becomes the owner of the property and gives back a purchase-money mortgage to secure the unpaid balance of the purchase price. Where a real-estate sales contract is given, rather than a purchase-money mortgage, the bank or the Corporation retains title to the property, but agrees to convey title to the buyer when he has paid a specified amount upon the purchase price.

The rate of interest specified in a purchase-money mortgage or real-estate contract to be paid by the buyer upon the unpaid portion of the purchase price may be 5 percent a year or higher. The bill as amended by the Senate would provide a 4-percent rate for these real-estate purchase obligations during the period from July 1, 1942, until July 1, 1944. Under the present law there is not a reduced rate which applies to purchase-money mortgages or real-estate sales contracts held by the Federal Farm Mortgage Corporation or to real-estate sales contracts held by the Federal land banks, although the 3½-percent rate applies to purchase-money mortgages held by the bank. These amendments would place all of these purchase obligations on the same bases, and, in providing a 4-per-

cent rate for them, would place them on the same basis, so far as interest rates are concerned, as are direct borrowers from the Federal land banks, who under the present law also pay a 4-percent rate.

Mr. MICHENER. Mr. Speaker, will the gentleman yield?

Mr. FULMER. I yield.

Mr. MICHENER. Does this amendment meet with the approval of the entire Agriculture Committee of the House?

Mr. FULMER. That is right; also, the conferees on the part of the House and the Senate are unanimously for it.

Mr. MICHENER. The gentleman from Kansas is here. I wonder if the gentleman would yield to him.

Mr. FULMER. Certainly.

Mr. HOPE. I may say that I think the amendment is very desirable. It offers the benefits of the reduced rate of interest to purchase-money mortgagors and holders of contracts of sale where lands have been purchased from the Federal land bank. It provides that the reduced rate shall not be 3½ percent but 4 percent, which is in harmony with other provisions of farm-credit legislation. Under existing law, where the loan is made directly instead of through a farm-loan association, the rate of interest is one-half of 1 percent higher than the regular rate. The conferees felt that the same distinction should be made here.

Mr. COCHRAN. Mr. Speaker, reserving the right to object, and it is not my purpose to object, but I feel that at this period of the session when we are in no hurry, when there is no emergency, the least we can do is to abide by the rules of the House, print conference reports in the RECORD, and not attempt to call them up until the following day so Members may have an opportunity to learn what is in the conference report. This conference report is just submitted: it has not been printed, and there are Members of this House other than the conferees, who might be interested, but they do not know what the conference report contains. I think that the proper way is to follow the rules, print the conference report in the RECORD and not call it up until some succeeding day, rather than to call it up at the time the conference report is submitted. At the end of the session it would be all right to call a conference report up immediately, or it would be all right to do so if there were an emergency, but there is no emergency in connection with this legislation.

Mr. FULMER. I may state to the gentleman that this act expires on the 30th day of this month, and we are desirous of securing final passage at the earliest date possible.

Mr. COCHRAN. But that leaves 22 days.

Mr. FULMER. It will take only a few minutes to dispose of and it has the unanimous support of the conferees, both the Senate and the House.

Mr. COCHRAN. But there is somebody else in the House of Representatives besides the conferees who have an equal responsibility.

Mr. FULMER. I appreciate that.

Mr. COCHRAN. Inasmuch as the gentleman has 22 days before the law expires I think he has ample time to print the conference report in the RECORD and let it be called up tomorrow; then we would all know more about the matter and if there is anything in the conference report that is objectionable we could oppose it. That is the point I make. Not only in reference to this report but all conference reports.

The SPEAKER. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

The conference report was agreed to. A motion to reconsider was laid on the table.

CONTINUANCE OF FEDERAL SURPLUS COMMODITIES CORPORATION

Mr. FULMER. Mr. Speaker, I call up House Joint Resolution 311, and ask unanimous consent for its immediate consideration.

The Clerk read the joint resolution, as follows:

Resolved, etc., That the Federal Surplus Commodities Corporation is hereby continued as an agency of the United States, under the direction of the Secretary of Agriculture, until the Congress shall otherwise direct.

With the following committee amendment:

Page 1, line 5, strike out "the Congress shall otherwise direct" and insert in lieu thereof "June 30, 1947."

The SPEAKER. Is there objection to the request of the gentleman from South Carolina [Mr. FULMER]?

Mr. MICHENER. Mr. Speaker, reserving the right to object, is this the same bill that was on the calendar the other day to which the gentleman from Michigan [Mr. Wolcott], one of the objectors, did object?

Mr. FULMER. The gentleman is correct. The gentleman from Michigan stated at that time he had not had a chance to look over the report and that he would be glad to do so and report to me. The next day he came over and stated that it was perfectly all right with him and that he had no objection.

This bill was reported unanimously by the committee. This corporation will expire on the 20th of this month and is now in the midst of transactions in connection with our lend-lease operations and the war effort, as well as the farm program, and it is very necessary that we get this bill through so that the corporation can continue its splendid work.

Mr. SABATH. Mr. Speaker, reserving the right to object, I notice this has been extended to 1947. In all other cases we have extended the life of these various corporations and activities for 2 years. Why is it necessary to extend this for 5 years up to 1947? What will the extension do and what additional power does it give the Corporation?

Mr. FULMER. May I say to the gentleman that the committee talked this over and came to the conclusion that during the war emergency at least 5 years would be a proper period. The bill was introduced without any limit whatsoever, but the committee cut it down to 5 years

to be sure that it would operate within the time of the war and perhaps the emergency following the war. This does not carry an appropriation of any kind and, as stated a while ago, it is very necessary to extend the life of the Corporation in connection with operations under the lend-lease bill.

Mr. CRAWFORD. Mr. Speaker, reserving the right to object, I should like to ask the gentleman a question. In view of his statement to the effect this Corporation is conducting purchases for export under lend-lease, may I ask the gentleman if he has had any report submitted to him showing the extent to which the Surplus Marketing Corporation is going to go in taking food out of this country, not only for lend-lease operations but for shipment to all other parts of the world during the post-war period? In other words, is the distinguished gentleman, the chairman of the Committee on Agriculture, and his committee making a study as to the shortage of food that may develop in this country due to the program which we are now proceeding under, namely, to remove hunger from the other parts of the world without first taking care of the situation in the United States?

Mr. FULMER. May I say to the gentleman that we have not had any reports along that line except it was stated that they are proposing in connection with the surpluses of this country to utilize some of these in connection with lend-lease operations and to look into the matter of getting any other products that they may need under the program so as to be helpful along that line.

Mr. CRAWFORD. What I am thinking about mostly right now is the enormous amount of publicity that has been given the last 10 days to the proposal of Vice President Wallace, to the proposal of Under Secretary of State Welles, Secretary Wickard, and to other proposals, along the line of those broadcast last night over the radio on the Forum of the Air conducted by Mr. Theodore Granik, wherein it is proposed to take the food of this country to all other parts of the world to the point of removing hunger from those other countries. That is a pretty big undertaking and something we have not yet been able to do in the United States, to say nothing about all the other parts of the world. I just thought I would bring that up at this time to see if the Committee on Agriculture has made or is making a study of that program which is now being prosecuted so aggressively by the post-war planners, let me say, for the lack of another name.

Mr. FULMER. That is a very important matter and I feel sure the Secretary of Agriculture, those at the head of this Corporation, and those connected with the war program will try to keep well posted. In the meantime I agree it would be well for our committee to look into the matter.

Mr. RICH. Mr. Speaker, reserving the right to object, may I ask the gentleman this question: In connection with these foodstuffs that are being sent under lease-lend, as it were, does the gentleman

know whether this country is going to receive any pay whatsoever for any of the foodstuffs which it is sending to all the nations of the world, as requested?

Mr. FULMER. I cannot answer the gentleman's question. I imagine he knows as much about that as I do, just what we will get out of our operations under the lend-lease program.

Mr. RICH. The committee does not know anything about it, and I do not know anything about it because I have been trying to find out whether lend-lease means that the American people are going to receive any compensation or remuneration of any kind for the things that they are giving away to these other nations, and I cannot find where we have contracts that call for repayment on the merchandise which we have shipped to these other nations, and which we will in the future ship to these other nations.

It is a fine thing to be a good neighbor, but just remember that the American taxpayers are going to have to pay for everything that is sent out by this country. If you think it is not going to be a hardship on the American people, just remember that all those nations as long as they can come to Uncle Sam and say, "Give me this, Uncle Sam," and you pass it out, it is all right as far as the other nations are concerned, but someday the American people are going to weep when they have to pay the taxes for this administration.

The administration is paying no attention to it. They are good neighbors now, and it is a good policy, but it will be a mighty hard one on the American taxpayers, do not forget that.

Mr. FULMER. What the members of my committee are concerned about is the winning of this war at the earliest date possible.

Mr. PIERCE. Reserving the right to object, Mr. Speaker, may I ask the gentleman from Pennsylvania whether he wants this paid in gold or in bonds? He has many times called the attention of the Congress to the fact that foreigners are getting these goods. Has he thought the question through? How does he want this to be paid, in gold or in goods? You have to do one or the other.

Mr. RICH. The gentleman from Oregon does not want us to get any pay. He says we are going to repudiate our debts.

The SPEAKER. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

The committee amendment was agreed to.

The House joint resolution was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

RETIREMENT WITH ADVANCED RANK OF CERTAIN OFFICERS OF THE NAVY

Mr. VINSON of Georgia. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (S. 2285) to provide for the retirement, with advanced rank, of certain officers of the Navy.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Georgia?

Mr. MICHENER. Reserving the right to object, Mr. Speaker, will the gentleman explain the bill?

Mr. VINSON of Georgia. The purpose of the bill is to provide that any officer of the Navy who may be retired while serving as the commander of a fleet or a subdivision thereof in the rank of admiral or vice admiral, or who has served or shall have served 1 year or more as such commander, may, if such rank was conferred pursuant to the provisions of section 18 of the act of May 22, 1917, in the discretion of the President, by and with the advice and consent of the Senate, when retired, be placed on the retired list with the highest grade or rank held by him while on the active list.

The purpose of the bill is to permit officers who have had the rank of admiral, in view of certain military assignments, to retire with that rank when they do retire.

Mr. MICHENER. If this bill becomes law, will it affect the retirement pay of anyone retired under this law?

Mr. VINSON of Georgia. I am happy to say that the Navy Department has advised the committee that the enactment of this bill will not result in any increased cost to the Government.

Mr. HOFFMAN. Reserving the right to object, Mr. Speaker, this bill provides for the retirement of certain officers of the Navy?

Mr. VINSON of Georgia. It provides for the retirement of officers of the Navy who have had the rank of admiral or vice admiral in view of certain positions they have held.

Mr. HOFFMAN. May I ask whether the officers who would get the benefit of this bill have anything to do with or pass upon this situation? What I mean is this: According to PM. on March 3, 1942. Lieutenant Commander Winchell said when he was asked about his status:

Sorry, that's a Navy secret. It's a funny feeling after all these years as a free citizen not to be able to talk, but that's the way it is now that I'm in uniform. I'm not free to say what I want now. I might get thrown in the brig. Even my radio broadcast has to be passed by a board before I go on the air.

Are these admirals who are to be retired on that board which passes on Walter's broadcasts?

Mr. VINSON of Georgia. This bill has reference to fighting admirals.

Mr. HOFFMAN. I know, but even fighting admirals might suffer the humiliation of determining whether Walter's broadcast is all right or not.

Mr. VINSON of Georgia. I would say that no officer who comes within the purview of this law will ever have anything to do with the broadcasts of Lt. Comdr. Walter Winchell.

Mr. RICH. Reserving the right to object, Mr. Speaker, if this bill passes would these admirals or high Navy officials receive the same pension as if this bill did not pass?

Mr. VINSON of Georgia. Yes. No pay is involved in this at all. When an officer is given a certain command he temporarily carries the rank of admiral, but

on the permanent list he is not an admiral, usually a rear admiral. Therefore, if he has served in that rank for 1 year, when he retires, if the President nominates him and if the Senate confirms the nomination, he retires with the rank of admiral. However, no money is involved in this.

Mr. RICH. What advantage does this give to those officers? Why should we pass this measure?

Mr. VINSON of Georgia. For instance, Admiral Hart, who has just come back after a campaign, now goes on the retired list. It would apply to Admiral Hart. It would apply to other admirals when they go on the retired list, provided two things happen, first, that the President nominates them for that rank; and second, that the Senate confirms them. This is an honor given them in recognition of their distinguished service, that is all.

Mr. RICH. I appreciate that, but why should we retire anyone now when men of this type are so badly needed?

Mr. VINSON of Georgia. We are not retiring anyone who has not reached the retirement age unless certain conditions, such as poor health, force him to retire.

Mr. RANDOLPH. Reserving the right to object, Mr. Speaker, apart from the subject but simply for the record, may I say that the gentleman is speaking about these admirals and their distinguished service. I hope that in the future we will not have admirals of the type we had up until 2 years ago, who have been saying it is impossible to sink a battleship with a bombing plane.

The SPEAKER. Is there objection to the present consideration of the bill?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That any officer of the Navy who may be retired while serving as the commander of a fleet or subdivision thereof in the rank of admiral or vice admiral, or who has served or shall have served 1 year or more as such commander, may, if such rank was conferred pursuant to the provisions of section 18 of the act of May 22, 1917 (40 Stat. 89; U. S. C., title 34, sec. 212), or the act of July 17, 1941 (Public Law No. 180, 77th Cong.), in the discretion of the President, by and with the advice and consent of the Senate, when retired, be placed on the retired list with the highest grade or rank held by him while on the active list: *Provided*, That no increase in retired pay shall accrue as the result of such advanced rank on the retired list: *Provided further*, That the President, by and with the advice and consent of the Senate, may in his discretion extend the privilege herein granted to such officers as have heretofore been retired and who satisfy the foregoing conditions.

SEC. 2. The President is further authorized, without reference to the power conferred upon him by this act, to continue with the rank of admiral on the retired list the officer who, as commander in chief of the Asiatic Fleet, rendered conspicuous and distinguished service in operations against the enemy in the Far East from December 7, 1941, until February 14, 1942.

With the following committee amendment:

On page 2, beginning on line 9, strike out section 2.

Mr. VINSON of Georgia. Mr. Speaker, by direction of the Committee on Naval Affairs, we ask that the House disagree

to the committee amendment so that section 2 will appear in the bill, if it is enacted, just as it passed the Senate.

The SPEAKER. The question is on the committee amendment.

The committee amendment was rejected.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

CONSTRUCTION OR ACQUISITION OF ADDITIONAL NAVAL AIRCRAFT

Mr. VINSON of Georgia. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (S. 2496) to authorize the construction or acquisition of additional naval aircraft, and for other purposes.

The Clerk read the title of the bill.

Mr. VINSON of Georgia. Mr. Speaker, this bill deals with the construction of blimps. When we had this bill before the committee there was pointed out the valuable assistance this type of lighter-than-air craft has rendered in the prosecution of the defense against submarines. The committee in the House bill struck out the word "nonrigid" and left in the bill that I have now called up "lighter than air." I am offering an amendment to correspond with the House bill, as I have been informed by the chairman of the Senate Naval Affairs Committee that the House bill is satisfactory.

When we passed this bill in the committee and through the Senate, it was recommended that there be 72 blimps authorized in all. Up to date we have already authorized 48. These 48 blimps are in process of being built now. A great many of them are going into commission.

Under previous legislation we have appropriated \$25,000,000 for the establishment of blimp bases. These bases have practically all been established. One was established a few days ago in the Puget Sound area, one up in Massachusetts, one down in Florida, one on the North Carolina coast, two of them will probably be put on the Gulf Coast, one will probably be sandwiched in between Miami and the North Carolina base, and Admiral King, the commander in chief of the fleet, sent word to the committee by Captain Rosendahl, that he wanted the number changed from 72 to 200. So therefore the committee agreed with Admiral King, in view of the importance of blimps in connection with the submarine warfare, and I shall offer an amendment at the proper time if unanimous consent is given for consideration of the bill.

Mr. MICHENER. Mr. Speaker, reserving the right to object, this bill implements the legislation which the Congress passed within the last year, providing for the establishment of these blimp bases?

Mr. VINSON of Georgia. The gentleman is correct, and I may say that the testimony is that the blimps are rendering a worth-while service in the submarine campaign. They are armed, they carry depth bombs, they cruise out over the waters, and in their cruising radius they can and have rendered outstanding

service. If the commander in chief of the fleet, Admiral King, thinks we have got to have them to combat the submarines, then I, for one, am going to give them to him so far as I am concerned.

Mr. MICHENER. As I understand, these blimps are very valuable in the detection of submarines, provided our country has control of the air in such localities.

Mr. VINSON of Georgia. That is correct.

Mr. MICHENER. In other words, they are of no value if the enemy has heavier-than-air craft in the locality.

Mr. VINSON of Georgia. The gentleman is correct. They would be absolutely useless in a submarine campaign in the British Isles, because there are too many land-based planes, but on our own coast line they do meet our military needs.

Mr. SABATH. Mr. Speaker, reserving the right to object, may I ask the gentleman how many of these blimps have been built under the act that we passed at the last session of the Congress?

Mr. VINSON of Georgia. Mr. Speaker, to answer the gentleman's question would disclose a certain amount of military information which we are requested not to disclose, but I can answer the question in this way. The program was for 48 and they are making very rapid progress in completing the program.

Mr. SABATH. Are any of them in use now?

Mr. VINSON of Georgia. Oh, yes. I could state definitely the number, but suffice it to say that over a dozen are in use today.

Mr. SABATH. Is a great deal of rubber used in the construction of these blimps?

Mr. VINSON of Georgia. I am unable to answer any question as to the material, but if there is such material used, we have got to have them and we will have to have priority for rubber if that is necessary, because these blimps, up to date, have a record of accomplishing a worth while objective in the submarine campaign.

Mr. SABATH. So far I have not seen any favorable results. Are these the same blimps that Captain Rosendahl recommended?

Mr. VINSON of Georgia. These are the blimps that Captain Rosendahl recommended and that Admiral King, the commander in chief of the fleet, has recommended.

Mr. SABATH. So Rosendahl sold them to King, I presume.

Mr. VINSON of Georgia. Anyhow, they are sold to the committee to the extent that they have demonstrated their effectiveness.

Mr. RANDOLPH. Mr. Speaker, will the gentleman yield?

Mr. VINSON of Georgia. I yield.

Mr. RANDOLPH. I desire no inside information. I simply want to say that increasingly the Navy, as well as the Army, is realizing that control of the air is necessary to the control of land or sea forces.

Mr. VINSON of Georgia. I want to thank the gentleman from West Virginia for his contribution.

The SPEAKER. Is there objection to the present consideration of the bill?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That the President of the United States is hereby authorized to acquire or construct nonrigid lighter-than-air craft, and spare parts and equipment, as may be necessary to provide and maintain the number of useful nonrigid lighter-than-air craft at a total of 72.

Sec. 2. There is hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, such sums as may be necessary to carry out the provisions of this act.

Mr. VINSON of Georgia. Mr. Speaker, I offer the following amendment to the Senate bill, which I send to the desk.

The Clerk read as follows:

Amendment offered by Mr. VINSON of Georgia to S. 2496:

In lines 4 and 6, strike out the words "nonrigid."

In line 7, strike out "72" and insert in lieu thereof "200."

The SPEAKER. The question is on agreeing to the amendments.

The amendments were agreed to.

The bill as amended was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

RESTRICTIONS ON CERTAIN MARINE CORPS OFFICERS

Mr. VINSON of Georgia. Mr. Speaker, I ask unanimous consent for the present consideration of the bill (H. R. 3152) to remove restrictions upon the service of certain officers of the Marine Corps in the Marine Corps Headquarters, Washington, D. C., which I send to the desk.

The Clerk read the title of the bill.

The SPEAKER. Is there objection?

Mr. VINSON of Georgia. Mr. Speaker, this bill is presented to the House by the distinguished minority member of the committee, the gentleman from Minnesota [Mr. MAAS], and I shall ask him to explain the bill.

Mr. MAAS. Mr. Speaker, this bill is simply to remove, during the war emergency, and for 1 year thereafter, a restriction that prohibits any officer in the Marine Corps from serving in the city of Washington more than 4 years out of any 8. We consider that desirable legislation; but during the emergency there are certain specialists and officers engaged in the program, and it would disrupt the program to maintain this prohibition. We are proposing to suspend it, and the Marine Corps assures us that they will carry on as usual.

The SPEAKER. Is there objection to the present consideration of the bill?

There was no objection.

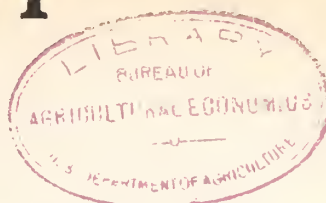
The Clerk read the bill, as follows:

Be it enacted, etc., That section 10 of the act of May 29, 1934 (48 Stat. 812), as amended by section 1 of the act of May 1, 1936 (49 Stat. 1249; 34 U. S. C. 667 (e)), is hereby further amended by deleting therefrom the second proviso.

With the following committee amendment:

Line 6, after the word "hereby", strike out "further amended by deleting therefrom the second proviso" and insert in lieu thereof

H. J. RES. 311



JOINT RESOLUTION

Continuing the Federal Surplus Commodities Corporation as an
agency of the United States.

1 *Resolved by the Senate and House of Representatives*
2 *of the United States of America in Congress assembled,*
3 That the Federal Surplus Commodities Corporation is hereby
4 continued as an agency of the United States, under the direc-
5 tion of the Secretary of Agriculture, until June 30, 1947.

Passed the House of Representatives June 8, 1942.

Attest:

Clerk.



77TH CONGRESS
2D Session

H. J. RES. 311

JOINT RESOLUTION

Continuing the Federal Surplus Commodities
Corporation as an agency of the United
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77TH CONGRESS
2^D SESSION

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IN THE SENATE OF THE UNITED STATES

JUNE 11, 1942

Read twice and referred to the Committee on Agriculture and Forestry

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SOUTH TRIMBLE,

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77TH CONGRESS
2^D Session

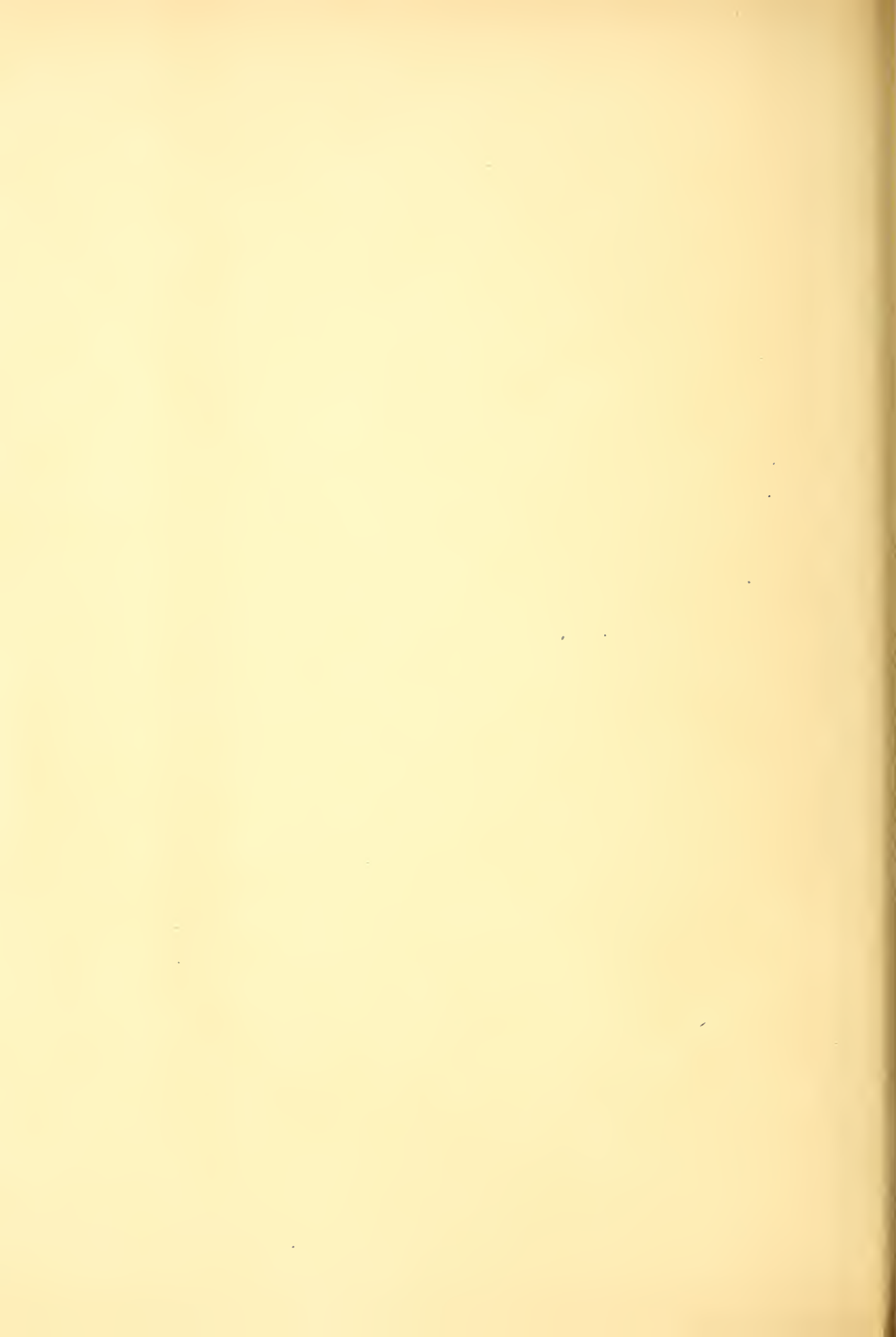
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(C) Those living with wife and children, or children only, under 30 years of age on July 1, 1942, except cases of exceptional dependency requirements.

(D) All other class III registrants, including (1) those with wife and children, or children only, over 30 years of age on July 1, 1942, (2) those with class B dependents not included in subclass (A), (3) those with wife only, not included in subclass (B), and (4) all cases of exceptional dependency.

In order to show the total number of men who fall into each class, including the subclasses which I have proposed, I ask that there be printed in the Record, at the close of my remarks, exhibit B.

The VICE PRESIDENT. Without objection, it is so ordered.
(See exhibit B.)

Mr. TAFT. These figures are the roughest estimates, and I do not guarantee them in any way. They are calculated from the limited statistical material which seems to be available. The figures include those who have already registered and those who become 20 during the year 1942 and are therefore available before the end of this year. The table shows that of a total of 27,220,000 registrants, 4,795,000 will be classified as I-A and found to be physically qualified for service; 1,673,000 will be classified as I-B and therefore available for limited service; 1,213,000 will be deferred as essential in industry, commerce, and agriculture; 17,088,000 will be found to have dependents; and 2,450,000 will fall into class IV, unavailable for physical and other reasons. It is at once apparent that we shall have to call on some of those who fall into class III in order to provide necessary manpower.

The figures show further that 1,205,000 men under 37 years of age are unmarried but have dependent parents, sisters, brothers, or others. It seemed wise to the Military Affairs Committee and it seems wise to me, now that dependency allowances have been provided, that this group be called on before calling on married men, permitting deferment, however, in cases in which the Government allowance is seriously inadequate and other arrangements for the care of dependents cannot be made. Assuming about 20 percent of such cases as a guess, there remain 965,000 men who can be drafted. My estimate is that of this number of men perhaps 550,000 would be found physically qualified for active service and not deferable by reason of essential industrial activities.

Next comes the class of married men with wives but no children. The table shows that there are approximately 2,760,000 of such men. I have assumed that perhaps 10 percent would still have to be deferred for dependency because no other sufficient means can be provided to support a wife. Of the 2,700,000 men who remain, I estimate that 1,300,000 could be finally classified as I-A.

In class III-C, married men under 30 years of age on January 1, 1942, with dependent children, I estimate that there are 2,054,000, of whom 400,000 would be cases of exceptional dependency. This

leaves 1,654,000, of whom perhaps 800,000 could ultimately be classified as I-A.

After setting aside these three groups, there would remain in class III-D a grand total of 11,479,000 men. It is unlikely that any of these men will ever be called, and if this is the fact, it is wise to tell them now that their proper work is at home, and that they should devote themselves wholeheartedly to the support of the war through civilian activities.

Finally, I ask that there be printed in the Record at the end of my remarks exhibit C, showing the men available for military service.

The VICE PRESIDENT. Without objection, it is so ordered.

(See exhibit C.)

Mr. TAFT. In this table I have given the figures if boys of 19 are called at some time in the year 1943, and again in 1944. The table shows that if this procedure is followed, and if the classes which I have designated as III-A, III-B, and III-C are also called, 10,489,000 men will be available at the end of 1944.

In order to provide 5,500,000 men in 1942, it will certainly be necessary to call Class III-A, namely, men with dependents other than wives and children. I believe that Congress will have to decide shortly, certainly by 1943, whether boys of 19 should be called before married men without children, or whether married men without children should be called first. I, myself, have formed no definite conclusion as to which group should be called first, but I do feel definitely that boys of 19 should be called before calling family men of more than 30 years of age. If this conclusion is correct, it will be necessary to call boys of 19 not later than the summer of 1943.

In any event, it seems to me essential to prevent injustice and a poor selec-

tion for military purposes, that the Director of Selective Service proceed immediately to make a definite division into classes of those now deferred for dependency. Every day men are being drafted who should not be drafted, either for the good of the Army or for the morale and welfare of the population at home. Men are being inducted at a rate in excess of 300,000 a month. There should be no delay in acting immediately on the mandate given by Congress.

EXHIBIT A

Estimate of total manpower available

(A) Those who were 21 to 35, inclusive, on Oct. 16, 1940, plus those who became 21 before July 1, 1941, but excluding those who registered voluntarily while under 21 years of age.....	17,220,000
(B) Those who became 20 in 1941, and those who became 21 during the last 6 months of 1941 and who registered on Feb. 16, 1942.....	1,800,000
(C) Those who were 36 or more on Oct. 16, 1940, but less than 45 on Feb. 16, 1942. Because of the lapse of time, this represents about seven and one-quarter age groups.....	7,000,000
(D) Those who became 20 in 1942.....	1,200,000
(E) Those who became 20 in 1943.....	1,200,000
(F) Those who became 19 in 1943.....	1,200,000
Total	29,620,000

According to the Census figures, the total number of males between the ages of 20 and 44, inclusive, is only 25,173,960. If we add to this number 3,600,000 who become 19 and 20 in 1942, we only get 28,773,960. Other comparisons of registration figures with Census figures seem to leave the Census about a million men short in every case.

EXHIBIT B

	Men who registered prior to 1942, 21-35 years of age	Men of 20 and 21 who registered Feb. 16, 1942	Men 37-44 who registered Feb. 16, 1942	Men reaching 20 in the year 1942	Total
	17,220,000	1,800,000	7,000,000	1,200,000	27,220,000
Class I-A and I-C.....	4,275,000	972,000	420,000	648,000	4,795,000
Class I-B.....	1,033,000	216,000	280,000	144,000	1,673,000
Class II.....	1,033,000	189,000	210,000	128,000	1,213,000
Class III.....	11,193,000	261,000	5,460,000	174,000	17,088,000
Class III-A.....	7,965,000	144,000		96,000	1,205,000
Class III-B.....	2,700,000	36,000		24,000	2,760,000
Class III-C.....	1,600,000	32,000		22,000	1,654,000
Class III-D.....	5,940,000	48,000	5,459,000	32,000	11,479,000
Class IV.....	1,550,000	162,000	630,000	108,000	2,450,000

¹ The total of the first 2 registrations from the United States and its Territories was 17,753,000 from which I have deducted 3 percent for 18- and 19-year-olds who registered voluntarily.

² Includes those who became 20 in 1941, and who became 21 from July 1 to Dec. 31, 1941.

³ About 1,000,000 more than census figure, although it does not include an estimated 800,000 men in the armed forces at the date of the first registration.

⁴ The arbitrary percentages used to determine the number of men in different classes were adopted from the rather incomplete figures of the Selective Service Statistical Division. For the first 2 registrations, the percentages used are 16, 6, 4, 65, and 9 percent respectively.

⁵ The arbitrary percentages here used are merely estimates. It is estimated that 54 percent will be class I-A, 12 percent class I-B, 10½ percent class II, 14½ percent class III, 9 percent class IV. The same percentages are used for men becoming 20 in 1942 and men becoming 19 and 20 thereafter.

⁶ The arbitrary percentages used for the older men are also merely estimates. They are 6 percent for class I-A, 4 percent for class I-B, 3 percent for class II, 78 percent for class III, and 9 percent for class IV. The census figures seem to show that 75 percent of this age group have a wife or children, and I have estimated 3 percent for class B dependents. The percentages for classes I and II are so small because of the very high percentage in class III.

⁷ It is estimated that there are 1,205,000 from the first registration falling in class III-A, but that 240,000 are such serious cases as to throw them into class III-D. It is estimated that there are 168,000 with B dependents in the 37-44 age group, who also fall into class D.

⁸ It is estimated that there are 3,000,000 from the first 2 registrations in class III-B, wives but no children, of whom 300,000 fall into class III-D by reason of hardship dependency. It is estimated that there are 995,000 men with wives but no children in the 37-44 age group, who also fall into class D.

⁹ It is estimated that there are 2,000,000 men from the first two registrations in class III-C, married men with children under 30, of whom 400,000 fall into class D by reason of hardship dependency.

EXHIBIT C

Estimate of number of men from different classes available and physically qualified for military service

(1) Men in the Regular Army, National Guard, Navy, and other forces on Oct. 16, 1940, not required to register-----	800,000
(2) Men to be classified in I-A before Dec. 31, 1942-----	4,795,000
(3) Men classified as I-B, but available for limited service, estimated at 20 percent of those so qualified-----	300,000
(4) Men under 37 with dependents other than wife or children, proposed class III-A-----	550,000
(5) Men under 37 with wife but no children, proposed class III-B-----	1,300,000
Total available in 1942 under present law-----	7,745,000
(6) Men who become 20 in 1943-----	648,000
(7) Men who become 19 in 1943-----	648,000
(8) Men with wives and children under 30, proposed class III-C-----	800,000
Total available by Dec. 31, 1943, if 19-year-olds are subject to induction-----	9,841,000
(9) Men becoming 19 in 1944-----	648,000
Total available without calling on class III-D-----	10,489,000

Mr. MAYBANK. Mr. President, will the Senator yield?

Mr. TAFT. I yield.

Mr. MAYBANK. Has the Senator any figures from General Hershey or the Selective Service Board as to the number of illiterates?

Mr. TAFT. I have such figures; but I could not give them without delaying the Senate for some time. There is a fair number of illiterates, but I cannot give the Senator the exact figures. They are included in Class 4, and at the present moment are entirely excluded from the calculations I have given. If many of such illiterates can be taught to read and write and can be enlisted, there will be a substantial addition to the total manpower available.

Mr. MAYBANK. Mr. President, that is a serious problem in South Carolina, where large numbers of single men who have not a fourth-grade education are denied the right to enter the armed services or to be selected. Large numbers have been rejected by the Army for lack of education. Therefore they are deferred. That is particularly true of the Negroes. They desire to serve. If the Senator will be kind enough to permit me to make a suggestion, I suggest that General Hershey make a most thorough study of the question, looking to the possibility, within a year, of giving sufficient education to the large number of single men who have been deferred because of lack of education.

Mr. TAFT. I think the suggestion of the Senator is very wise. I understand that a study of the subject is being made.

Mr. JOHNSON of Colorado. Mr. President, will the Senator yield?

Mr. TAFT. I yield.

Mr. JOHNSON of Colorado. As I understand, that is being done by regulation, and not by law.

Mr. TAFT. It is being done by regulation, and not by law. It is also being done by the States. Perhaps the State of South Carolina has been taking some such action.

Mr. MAYBANK. We have been taking such action for 2 years.

Mr. JOHNSON of Colorado. It is not being done pursuant to an act of Congress.

Mr. MAYBANK. No; but the question of sufficient funds arises in communities which are too poor to carry on the work. We have been working on the problem for at least a year and a half. Large numbers of men are rejected by the boards, or after they are sent to camp, because they lack what is termed a fourth-grade education. Many of them are desirous of serving, and so many of them are desirous of being educated that in some sections of the Southern States a problem has arisen by reason of the lack of sufficient per capita income or wealth in certain communities to accomplish anything worth while.

Mr. TAFT. I feel confident that General Hershey will take the greatest interest in doing something.

Mr. VANDENBERG. Mr. President, will the Senator yield?

Mr. TAFT. I yield.

Mr. VANDENBERG. If in the interest of equity a reclassification is made along the lines indicated by the Senator, the question immediately arises—and, indeed, has already arisen in considerable correspondence—as to whether or not the new equities should be made retroactive. Will the Senator comment on that question?

Mr. TAFT. I think it would be extremely difficult to lay down any rule that they must be made retroactive, because the men are scattered all over the world. There might be some ruling that in special cases, with the approval of the commanding officer, men who would not be drafted under the new arrangement might perhaps be released from the Army. However, I do not think a flat rule could be adopted.

Mr. VANDENBERG. I think the Senator's conclusions are correct. The fact remains that a new friction is injected into the Army morale in respect to men who find their counterparts in society relieved of the burden they have assumed.

Mr. TAFT. Most of such men are already somewhat indignant, and a slight difference in indignation probably would not make a great difference.

The VICE PRESIDENT. The question is on agreeing to House Concurrent Resolution 71.

The concurrent resolution was agreed to.

EXTENSION OF LIFE OF FEDERAL SURPLUS COMMODITIES CORPORATION

Mr. SMITH. Mr. President, from the Committee on Agriculture and Forestry I report favorably, with an amendment, House Joint Resolution 311, continuing the Federal Surplus Commodities Corporation as an agency of the United States,

and I submit a report—No. 1498—thereon.

The Federal Surplus Commodities Corporation expires on June 30. Yesterday the Committee on Agriculture and Forestry acted upon House Joint Resolution 311. The Department is very anxious to have it passed. I ask unanimous consent for its present consideration.

The VICE PRESIDENT. The joint resolution will be stated by title for the information of the Senate.

The LEGISLATIVE CLERK. A joint resolution (H. J. Res. 311) continuing the Federal Surplus Commodities Corporation as an agency of the United States.

The VICE PRESIDENT. Is there objection to the request of the Senator from South Carolina?

There being no objection, the Senate proceeded to consider the joint resolution, which had been reported from the Committee on Agriculture and Forestry, with an amendment, on page 1, line 5, after "June 30," to strike out "1947" and insert in lieu thereof "1945."

Mr. SMITH. The amendment, Mr. President, would simply continue the Federal Surplus Commodities Corporation until 1945 instead of 1947. The matter is very urgent.

The VICE PRESIDENT. The question is on agreeing to the amendment reported by the committee.

The amendment was agreed to.

The VICE PRESIDENT. The question is on the engrossment of the amendment and the third reading of the joint resolution.

The amendment was ordered to be engrossed, and the joint resolution to be read a third time.

The joint resolution (H. J. Res. 311) was read the third time, and passed.

ADDITIONAL REPORT OF SPECIAL COMMITTEE INVESTIGATING THE NATIONAL DEFENSE PROGRAM

Mr. TRUMAN. Mr. President, from the Special Committee Investigating the National Defense Program, I submit parts 8 and 9 of Report No. 480, and ask that they be printed.

The VICE PRESIDENT. The reports will be received and printed.

Mr. TRUMAN. Mr. President, on March 16 Mr. Donald Nelson, of the War Production Board, sent a special message to the Senate while it was in session. The message was read by me into the RECORD, covering the controversy which was then going on between himself and Mr. Guthrie. I read that letter into the RECORD, and made the statement that the committee was not in the habit of going into personal controversies, but that at the request of the Chairman of the War Production Board we would take up the matter.

The next day a subcommittee of the House subpoenaed Mr. Guthrie to appear before the House committee. He appeared there, and the hearings before the House committee continued for some time.

Since the House committee had submitted no report, we were again urged by the chairman of the War Production Board, Mr. Nelson, to take up the matter,

CONTINUING THE FEDERAL SURPLUS COMMODITIES CORPORATION AS AN AGENCY OF THE UNITED STATES

JUNE 18, 1942.—Ordered to be printed

MR. AIKEN, from the Committee on Agriculture and Forestry, submitted the following

REPORT

[To accompany H. J. Res. 311]

The Committee on Agriculture and Forestry, to whom was referred the joint resolution (H. J. Res. 311) continuing the Federal Surplus Commodities Corporation as an agency of the United States, having considered the same, report thereon favorably with the recommendation that the joint resolution do pass with the following amendment:

On line 5, strike out the figures "1947" and insert in lieu thereof the figures "1945".

A full explanation of the joint resolution is incorporated in the House Report No. 2118 which is attached hereto and titled "Exhibit A."

EXHIBIT A

[H. Rept. No. 2118, 77th Cong., 2d sess.]

The Committee on Agriculture, to whom was referred the joint resolution (H. J. Res. 311) continuing the Federal Surplus Commodities Corporation as an agency of the United States, having considered the same, report thereon with a recommendation that it do pass with the following amendment:

Strike out the wording "the Congress shall otherwise direct" appearing in lines 5 and 6, and insert in lieu thereof the wording "June 30, 1947."

The purpose of this proposed legislation and the need of its enactment are shown by the following letter:

DEPARTMENT OF AGRICULTURE,
Washington, April 29, 1942.

The honorable the SPEAKER OF THE HOUSE OF REPRESENTATIVES.

DEAR MR. SPEAKER: There is attached a copy of a proposed joint resolution for the purpose of continuing the Federal Surplus Commodities Corporation as an agency of the United States until the Congress shall otherwise direct.

The Federal Surplus Relief Corporation was granted a certificate of incorporation by the State of Delaware on October 4, 1933, as a nonprofit, nonstock, mem-

bership corporation, formed for the purpose of expediting and facilitating the operation of Federal programs particularly in connection with agricultural commodities and the products thereof. By amendment to the certificate of incorporation, November 18, 1935, the name of the corporation was changed from Federal Surplus Relief Corporation to Federal Surplus Commodities Corporation. Public, No. 165, Seventy-fifth Congress, approved June 28, 1937, recognized the Federal Surplus Commodities Corporation as an agency of the United States and extended it as such, under the direction of the Secretary of Agriculture, until June 30, 1939. Public, No. 430, Seventy-fifth Congress, approved February 16, 1938, authorized the continuation of the Federal Surplus Commodities Corporation as an agency of the United States until June 30, 1942.

Pursuant to Government Reorganization Plan No. III, made effective under the authority granted by the Reorganization Act, Public, No. 19, Seventy-sixth Congress, approved April 3, 1939, the Surplus Marketing Administration was organized within the Department of Agriculture, and the functions of the Federal Surplus Commodities Corporation as an agency of the Department of Agriculture, and certain related funds were transferred and consolidated into the Surplus Marketing Administration.

These functions are described in the Report of the Federal Surplus Commodities Corporation for the fiscal year 1941, which was transmitted to Congress on April 6, 1942.

By Executive Order 9069, dated February 23, 1942 (7 Federal Register 1409), the President consolidated the functions of the Surplus Marketing Administration into the Agricultural Marketing Administration, including the functions of the Federal Surplus Commodities Corporation as an agency of the Department of Agriculture.

The Corporation is now used to carry out pooled buying of agricultural commodities and products for distribution for lend-lease, territorial emergency, Red Cross, and domestic consumption purposes, as well as to meet the requirements of the Army and Navy under certain emergency conditions. In many instances the same commodity is needed for two or more of these outlets, and the use of the Corporation makes possible purchases in large quantities at a considerable saving of time and expense prior to the allocation of commodities by the Agricultural Marketing Administration for the desired outlet. The Federal Surplus Commodities Corporation is also used as an instrumentality for the carrying out of certain export indemnity programs financed with funds appropriated for the purposes of section 32, Public, No. 320, Seventy-fourth Congress, approved August 24, 1935, as amended. The operations of the Agricultural Marketing Administration in carrying out programs of the Department of Agriculture are greatly facilitated and expedited by use of the Corporation.

A number of questions are now being raised by producers, handlers, and processors of agricultural commodities who have contracted and are contracting with the Federal Surplus Commodities Corporation for the purchase of commodities for delivery after June 30, 1942, as to whether the Corporation will have authority subsequent to June 30, 1942, to honor obligations relating to such transactions.

In view of the necessity of continuing and expediting processing and purchasing contracts to promote the war effort, the early enactment of the attached proposed joint resolution is urged. Your cooperation in forwarding the proposed joint resolution for immediate congressional consideration is respectfully requested.

This proposed legislation does not involve the appropriation of any funds.

The Bureau of the Budget advises that it has no objection to the submission of this proposed joint resolution.

Sincerely,

GROVER B. HILL, *Acting Secretary.*

○



or resolution and not by a rider on an appropriation bill.

Mr. VINSON of Georgia. Mr. Speaker, will the gentleman yield to me?

Mr. MAHON. I yield.

Mr. VINSON of Georgia. In support of the statement made by the distinguished gentleman from Missouri [Mr. COCHRAN] I fully agree with the position of the Comptroller General. Of course it has had an effect upon the Naval Affairs Investigating Committee to the extent that last week some 25 of the auditors and accountants had to go back to the departments.

I have taken this matter up with the Comptroller General, Mr. Warren, and they have worked out a joint resolution which I have given to the distinguished chairman of the Committee on Accounts, and I am glad to know that the matter will be taken up before that committee on Wednesday, and we can follow out the procedure suggested by the Comptroller General.

I think the committee has done a wise thing in eliminating from this bill the so-called McCarran amendment, because it has no bearing on anything in this bill, and it should be dealt with by the Committee on Accounts, so that the Accounts Committee can control the situation with reference to money being appropriated to reimburse departments for the personnel that may be sent to special investigating committees.

Mr. MAHON. I thank the gentleman and I agree with the gentleman's statement that that amendment had no place in the bill.

Mr. STEFAN. Mr. Speaker, will the gentleman yield?

Mr. MAHON. I yield.

Mr. STEFAN. I wish to say to the distinguished gentleman from Georgia [Mr. VINSON] and the distinguished gentleman from Missouri [Mr. COCHRAN] that much of the information they have given us outside of the House had a great deal to do with the action of your committee in insisting upon our stand on this particular item. Originally we felt that it had nothing to do with this bill at all, and we are very happy that the House approves of our position.

I am sure that we had the same sympathetic feeling on the other side of the Capitol.

The SPEAKER. A motion to reconsider the various votes by which the amendments were acted upon is laid on the table.

FEDERAL SURPLUS COMMODITIES CORPORATION

Mr. PACE. Mr. Speaker, I ask unanimous consent to take from the Speaker's table House Joint Resolution 311, continuing the Federal Surplus Commodities Corporation as an agency of the United States, with a Senate amendment, and agree to the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Line 5, strike out "1947" and insert "1945."

The SPEAKER. Is there objection to the request of the gentleman from Georgia?

Mr. HOPE. Mr. Speaker, reserving the right to object, as I understand it, when the resolution was passed it extended the life of this corporation for 5 years. The Senate has amended that by changing it to 3 years.

Mr. PACE. Yes; which is in accord with the individual views of the gentleman from Kansas at the time it was proposed.

Mr. HOPE. That is correct.

The SPEAKER. Is there objection?

There was no objection.

The Senate amendment was agreed to.

A motion to reconsider was laid on the table.

AMENDMENT OF SECTION 13 (D) OF THE RAILROAD UNEMPLOYMENT INSURANCE ACT

Mr. PEARSON. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill H. R. 7212 to amend section 13 (d) of the Railroad Unemployment Insurance Act.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. HOLMES. Mr. Speaker, reserving the right to object, and I shall not, will the gentleman from Tennessee explain the bill, the reason for the emergency?

Mr. PEARSON. Mr. Speaker, this bill affects only the State of Kentucky, and the necessity for it arises out of the very peculiar situation as a result of the passage of the Railroad Unemployment Insurance Act of 1939. Prior to the passage of that act the States administered their own unemployment compensation laws. When the act became effective it required all the States to turn into the Federal insurance fund moneys they had previously collected from employers. In order to make the States comply with this provision the act carried a proviso that any State which failed to turn in those funds by July 1, 1940, would be deprived of Federal grants under the Social Security Act. The State of Kentucky through its general assembly undertook to comply with the Federal act and passed a law which authorized the turning in of the funds which had been collected by July 1, 1940, but the court of highest jurisdiction in Kentucky held that act of the general assembly to be unconstitutional and invalid. As a result Congress was called upon to extend the time within which the State of Kentucky could comply to July 1, 1942, whereupon the General Assembly of Kentucky passed a second law. Again the court of highest jurisdiction of Kentucky declared it unconstitutional, but pointed out a way whereby the general assembly could meet the situation. The pending bill simply extends the time of compliance on the part of the State of Kentucky until July 1, 1944, or sooner if a special session of the legislature can be called.

Mr. HOLMES. Mr. Speaker, will the gentleman yield?

Mr. PEARSON. I yield.

Mr. HOLMES. The act passed 2 years ago was unanimously approved by the Committee on Interstate and Foreign Commerce.

Mr. PEARSON. That is true.

Mr. HOLMES. This law expires on July 1 of this year, and in order that there may be another moratorium, an extension of time to give Kentucky an opportunity to carry out certain legal instructions which the court has actually placed on them, the pending bill is now found necessary.

Mr. PEARSON. That is correct. Unless this bill is passed that State will be penalized for something it has tried desperately to correct. I may say to the House in connection with this bill that the Committee on Interstate and Foreign Commerce has reported it unanimously. It has the approval of the Federal Security Agency, the Railroad Retirement Board, and the Railway Executives' Association. It is highly important that the bill be passed before July 1 next.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the proviso contained in the third paragraph of subsection (d) of section 13 of the Railroad Unemployment Insurance Act, as amended (which proviso relates to the postponement of withholding from certification for payment to States, in certain cases, of amounts for the administration of State unemployment compensation laws) is amended as follows:

(1) By striking out "until July 1, 1942" and by inserting in lieu thereof the following: "until July 1, 1944, or until a date 180 days after the adjournment of the first session of the legislature of such State beginning after July 1, 1942, whichever date is the earlier"; and

(2) By adding at the end of such proviso the following sentence: "An enactment of any State legislature providing for the transfer (from the State's account in the Unemployment Trust Fund to the railroad unemployment insurance account of all interest earned upon contributions which are collected with respect to employment occurring after such enactment by such State pursuant to its unemployment compensation law and credited to its account in the Unemployment Trust Fund (until the total of such transfers equals the amounts which otherwise would be required to be withheld from certification under this subsection), shall be deemed an effective authorization and direction to the Secretary of the Treasury as required by this subsection: *Provided, however,* That if at any time after such enactment the provision for transfer therein contained for any reason fails to be operative to effect the transfers of interest as therein prescribed, and such State has not otherwise made an effective authorization and direction to the Secretary of the Treasury as required by this subsection, the Social Security Board shall immediately after such failure or, on the date otherwise provided in this subsection for the beginning of withholdings from certification, whichever is later, begin to make the withholdings from certification provided for in this subsection in the same manner and to the same extent as if such enactment by such State had not been enacted, except that the amounts of the certifications withheld shall be reduced by the total amount, if any, which has been transferred from interest pursuant to such enactment."

With the following committee amendments:

Page 2, line 9, after the word "account", insert a parenthesis.

Page 2, line 17, after the word "subsection", change the colon to a semicolon and insert

after the semicolon "and for purposes of computing how the interest to be so transferred, amounts withdrawn by such State from its account in the unemployment trust fund after the date of such State enactment shall be considered to be a first charge against the amounts credited to such State's account prior to the date of such State's enactment."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

AUTHORIZING THE CONTROL OF THE EXPORTATION OF CERTAIN COMMODITIES

Mr. MAY. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (S. 2558) to further expedite the prosecution of the war by authorizing the control of the exportation of certain commodities, which is on the Speaker's table.

The Clerk read the title of the bill.

Mr. MARTIN of Massachusetts. Mr. Speaker, reserving the right to object, I understand this Senate bill is in the nature of an amendment to the act of July 2, 1942, and that it provides a termination date of June 30, 1944.

Mr. MAY. The gentleman is correct. It extends the existing statute until June 30, 1944. The statute otherwise would expire on the 30th day of this month.

Mr. MARTIN of Massachusetts. I have no objection.

The SPEAKER. Is there objection to the present consideration of the bill?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That section 6 of the act of July 2, 1940 (54 Stat. 714) is hereby amended to read as follows:

"Sec. 6. (a) The President is hereby authorized to prohibit or curtail the exportation of any articles, technical data, materials, or supplies, except under such rules and regulations as he shall prescribe.

"(b) Unless the President shall otherwise direct, the functions and duties of the President under this section shall be performed by the Board of Economic Warfare.

"(c) In case of the violation of any provision of any proclamation, rule, or regulation issued hereunder, such violator or violators, upon conviction, shall be punished by a fine of not more than \$10,000, or by imprisonment for not more than 2 years or by both such fine and imprisonment.

"(d) The authority granted by this section shall terminate on June 30, 1944, or upon any prior date which the Congress by concurrent resolution, or the President, may designate; except that as to offenses committed, or rights or liabilities incurred prior to such date, the provisions of this section and such rules, regulations, and proclamations shall be treated as remaining in effect for the purpose of sustaining any suit, action, or prosecution with respect to such right, liability, or offense."

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

PROVIDING FOR THE BETTER ADMINISTRATION OF OFFICER PERSONNEL OF THE NAVY DURING THE EXISTING WAR

Mr. VINSON of Georgia. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (H. R. 7160) to provide for the better administration

of officer personnel of the Navy during the existing war, and for other purposes.

The Clerk read the title of the bill.

Mr. MARTIN of Massachusetts. Mr. Speaker, reserving the right to object, will the gentleman explain the bill?

Mr. VINSON of Georgia. Mr. Speaker, under the reservation of objection of the distinguished minority leader, I shall take a few minutes to make an explanation of what this bill does, because it is a very important bill.

The pending legislation has for its purpose the suspending during the period of the present emergency or war, what is known as the permanent selection law. It affects every officer in the Navy in reference to the matter of promotion. Under the law today officers are promoted by what is known as the selection system; that is annually a board meets and passes on the records of the officers to fill vacancies.

As you know, under the system in the War Department, all promotions are made by seniority. The Navy does not follow that system. The Navy keeps a record of all officers, which is kept in their individual files in the Navy Department, and annually the Secretary appoints a board consisting of nine officers to go over the records of the various officers to determine who is best fitted for a vacancy that may exist.

This bill during the emergency suspends that law and permits the Navy to bring into effect what is known as temporary promotions. We recently passed a bill providing for temporary promotions, and that will take the place of the permanent promotions of the officers under the permanent selection system.

In the Navy there are so many officers authorized, based upon the enlisted strength. For instance, for every 100 officers there is allowed by law 1 admiral, 4 captains, 8 commanders, 15 lieutenant commanders, 30 lieutenants, and 42 junior lieutenants and ensigns. This suspends the operation of that law for the reason that in the war it is impossible to say how many lieutenant commanders, how many commanders, how many captains, and so forth, you may need; therefore there must be a flexibility on account of the losses sustained in the various ranks and the needs of the service.

There are other things in this bill dealing with personnel, but the fundamental purpose of it is to set aside for the time being the method of promotion by a selection board and apply the principle of temporary promotion. In the committee report, which is carefully drawn, you will see a complete analysis of every section of the bill, showing exactly how the bill affects the various establishments. The Navy Department, since this bill has been reported out of the committee, called my attention to certain amendments that I will offer if unanimous consent is given to consider this bill.

We held a hearing on this bill. The Personnel Division of the Navy Department recommends it. It is an administration measure, and after we went into it thoroughly and carefully the Committee on Naval Affairs unanimously reported the bill.

That, briefly, is what the bill seeks to do, but I want to say—and I want to be frank and candid—this is important legislation, because it sets aside for the emergency the method of promotion heretofore used and goes to the temporary promotion system instead of what is known as the selection system heretofore established for the Navy.

Mr. MARTIN of Massachusetts. When the gentleman says "temporary" he means until after the war?

Mr. VINSON of Georgia. No. During the emergency or during the war, under a previous bill, the Secretary of the Navy could grant a temporary promotion to an officer and that holds during the period of the emergency. If he retired, he would retire with that rank to which he has been temporarily promoted. For instance, a great many officers have been recently given temporary promotions for bravery. The naval officer who shot down six planes out in the Pacific recently has been made a lieutenant commander temporarily. After the war is over he may revert back to his former permanent rank.

Mr. MARTIN of Massachusetts. Then this would be permanent legislation?

Mr. VINSON of Georgia. No. This only holds good for 1 year after the emergency expires. Prior to the expiration of this law and after the war selection boards will be convened to pass on officers and confirm in their temporary grades those officers who have fully demonstrated their fitness for promotion.

Mr. MARTIN of Massachusetts. I know how the method works, but do the positions that are given now become permanent?

Mr. VINSON of Georgia. No; they are only temporary. No officer now gets a permanent promotion because we are suspending that law. We are putting in the place of that law a principle enacted some time ago of temporary promotions.

Mr. MARTIN of Massachusetts. For instance, if I am made a captain by this method, being a commander now, would I after the war go back and have to be approved in order to retain my rank as captain?

Mr. VINSON of Georgia. You would unless the old selection system comes into effect, picks you up, and makes you a permanent captain.

The SPEAKER pro tempore (Mr. BULWINKLE). Is there objection to the request of the gentleman from Georgia [Mr. VINSON]?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the provisions of existing law insofar as they relate to periodic computations for the purpose of determining the authorized number of commissioned officers in the various grades of the line of the Regular Navy and of the Marine Corps, the permanent promotion or advancement of all officers of the Navy and Marine Corps, and the involuntary retirement or honorable discharge of commissioned officers of the Navy and Marine Corps by reason of failure of selection for promotion or advancement or upon the completion of designated periods of commissioned service, are hereby suspended: *Provided*, That an officer who on the date of this act has been recommended for permanent promotion or advancement by the approved report of a selection board, or who has

[PUBLIC LAW 634—77TH CONGRESS]

[CHAPTER 454—2D SESSION]

[H. J. Res. 311]

JOINT RESOLUTION

Continuing the Federal Surplus Commodities Corporation as an agency of the
United States.

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the Federal Surplus Commodities Corporation is hereby continued as an agency of the United States, under the direction of the Secretary of Agriculture, until June 30, 1945.

Approved, June 27, 1942.

